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LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA

*Primary Government Financial Statements  
For the Year Ended December 31, 2004*

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

Release Date 7-20-05

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

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LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
PRIMARY GOVERNMENT FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

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### INDEPENDENT AUDITOR'S REPORT

Lincoln Parish Police Jury  
Ruston, Louisiana

I have audited the accompanying primary government financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lincoln Parish Police Jury (which is the "Police Jury" as well as "the primary government"), as of and for the year ended December 31, 2004, which collectively comprise the basic financial statements of the Police Jury's primary government as listed in the table of contents. These financial statements are the responsibility of the Police Jury's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinions.

The financial statements referred to above include only the primary government of the Police Jury, which consists of all funds, organizations, institutions, agencies, departments and offices that comprise the Police Jury's legal entity. The financial statements do not include financial data for the Police Jury's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Police Jury's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Police Jury as of December 31, 2004, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information for the primary government as of December 31, 2004, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated May 20, 2005, on my consideration of the Lincoln Parish Police Jury's internal control over financial reporting and my 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 my 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 my audit.

Management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 31 through 39, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming an opinion on the primary government financial statements of the Lincoln Parish Police Jury taken as a whole. The accompanying financial information listed as "Schedules" and "Supplementary Information" in the table of contents, including the Schedule of Expenditures of Federal Awards, is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of the Lincoln Parish Police Jury. Such information has been subjected to the auditing procedures applied in the audit of the Lincoln Parish Police Jury, and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's primary government financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the primary government financial statements and, in my opinion, are fairly stated in all material respects in relation to the primary government financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the primary government financial statements and, accordingly, I express no opinion on it.

WILLIAM R. HULSEY, APAC  
Certified Public Accountant



May 20, 2005

**REQUIRED SUPPLEMENTAL INFORMATION (PART A)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**LINCOLN PARISH POLICE JURY**  
**RUSTON, LOUISIANA**  
**Management's Discussion and Analysis (MD&A)**

We offer the readers of the Lincoln Parish Police Jury's financial statements this narrative overview and analysis of the financial activities of the Lincoln Parish Police Jury for the fiscal year ended on December 31, 2004.

**FINANCIAL HIGHLIGHTS**

Our financial statements provide the following key financial highlights for the 2004 fiscal year:

- General Government Activities report total costs of \$11,274,479 and total revenues of \$13,780,942
- Capital Projects included the completion of the new library and the Barker Street Sewer project as well as the continuation of work on the North Chatham Sewer project.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements-and Management's Discussion and Analysis- for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented here. The MD&A is intended to serve as an introduction to the Police Jury's basic financial statements. Those basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains supplemental information.

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the Police Jury's finances in a format similar to that of a private sector entity.

The Statement of Net Assets presents information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases presented on a comparative basis each year may prove useful as an indicator of whether the financial position of the Police Jury is improving or not.

The Statement of Activities presents information showing how the Police Jury's net assets changed during the reporting period. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities distinguish functions of the Police Jury that are principally supported by taxes, intergovernmental revenues, and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-

recover all or a significant portion of their costs through user fees and charges (business-type activities). The relationship between revenues and expenses represent the Police Jury's operating results. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as is the case with commercial entities. As a result, one must consider other non-financial factors, such as the condition of the Police Jury's roads and bridges, services provided such as solid waste disposal, rural garbage collection, recreation, library services and housing assistance in order to assess the overall health of the Police Jury.

In the Statement of Net Assets and the Statement of Activities, we divide the Police Jury into three kinds of activities:

General Fund Activities – Most of the Police Jury's basic services are reported here, including mandated cost for district courts and coroner's office, assistance to other governmental entities, courthouse and other parish building maintenance and general administration as well as road construction, solid waste disposal, library funds and the hospital proceeds fund. Property taxes, sales tax, severance taxes, franchise fees, licenses and fees, and state and federal grants finance most of these activities.

Special Revenue Activities – These activities include most public works including roads and bridges, solid waste collection and disposal as well as library services, criminal court activities, and public health and housing assistance. Funding for these activities are received from property taxes, state and federal grants, and fees charged for services.

Capital Project Activities – The majority of expenses in the capital projects activities for 2004 were incurred on the Barker and North Chatham sewer projects.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Police Jury's fund financial statements provide detailed information about the most significant funds—not the Police Jury as a whole.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Police Jury's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is



useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements so that the reader may better understand the long-term impact of the Police Jury's short-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

## THE JURY AS A WHOLE

Our analysis shown below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Police Jury's governmental and business-type activities on a comparative basis.

**Table 1**  
**Net Assets**  
**December 31, 2004 and 2003**

	Governmental Activities 2004	Governmental Activities 2003
Current and other assets	30,903,287	32,471,563
Capital assets	15,045,124	11,209,802
Total assets	45,948,411	43,681,365
Current and other liabilities	1,732,233	1,818,430
Long-term liabilities	5,081,842	5,235,085
Total liabilities	6,814,075	7,053,515
Net assets		
Invested in capital assets, net of debt	10,055,124	6,059,802
Restricted	17,026,901	21,687,656
Unrestricted	12,052,311	8,880,392
Total net assets	39,134,336	36,627,850

**LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
Management's Discussion and Analysis (MD&A)**

**Table 2  
Changes in Net Assets  
For the Years Ended December 31, 2004 and 2003**

	Governmental Activities 2004	Governmental Activities 2003
<b>Revenues</b>		
<b>Program Revenues</b>		
Section 8 housing	662,015	477,969
Parish transportation funds	419,010	426,733
<b>General revenues</b>		
Property taxes	4,374,958	3,909,415
Sales tax	3,589,627	2,905,190
Other taxes	84,524	212,132
State revenue sharing	230,071	262,513
Local grants	429,172	309,536
Federal revenue	1,238,673	389,980
Severance tax	928,470	817,093
Fees, charges and commissions	309,883	258,389
Fines and forfeitures	331,548	237,213
Earnings on investments	723,544	854,699
Sale of Assets	0	573,390
Miscellaneous	459,470	303,457
<b>Total Revenues</b>	<b>13,780,965</b>	<b>11,937,709</b>
<b>Functions/Program Expenses</b>		
<b>Governmental Activities</b>		
General and administrative	1,631,247	1,993,557
Public safety	524,465	264,739
Public works	6,134,329	5,222,105
Health and welfare	664,779	592,210
Operating services	170,632	185,205
Culture and recreation	1,875,867	1,766,570
Economic development	33,048	36,037
Debt service	240,112	247,309
<b>Total Functions/Program Expenses</b>	<b>11,274,479</b>	<b>10,307,732</b>
<b>Increase in net assets</b>	<b>2,506,486</b>	<b>1,629,977</b>
<b>Net assets – beginning of year</b>	<b>36,627,850</b>	<b>34,997,873</b>
<b>Net assets – ending of year</b>	<b>39,134,336</b>	<b>36,627,850</b>

**LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
Management's Discussion and Analysis (MD&A)**

Governmental Activities

The cost of all governmental activities this year was \$11,274,479. However, as indicated in the Statement of Activities, the amount that our taxpayers financed for these activities through Police Jury taxes was only \$8,977,579 due to the fact that some of the cost was paid by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions.

Table 3 presents the cost of each of the Police Jury's governmental activities as well as each program's cost.

**Table 3  
Governmental Activities  
For the Years Ended December 31, 2004 and 2003**

	Total Cost Of Services 2004	Total Cost Of Services 2003
<b>Governmental Activities</b>		
General and administrative	1,631,247	1,993,557
Public safety	524,465	264,739
Public works	6,134,329	5,222,105
Health and welfare	664,779	592,210
Operating services	170,632	185,205
Culture and recreation	1,875,867	1,766,570
Economic development	33,048	36,037
Debt service	240,112	247,309
<b>Total Functions/Program Expenses</b>	<b>11,274,479</b>	<b>10,307,732</b>

**The Police Jury's Funds**

As the Police Jury completed the year, its governmental funds reported a combined net asset balance of \$39,134,336 indicating an increase of \$2,506,486 when compared to 2003.

**LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
Management's Discussion and Analysis (MD&A)**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Total actual revenues in the major Governmental Activities Funds exceeded budgeted revenues by \$354,453. The largest positive variance was in the severance tax (\$104,737) in the General Fund and sales tax (\$89,627) in the Solid Waste Disposal Fund.

Budgeted expenditures were exceeded by actual expenditures in the major Governmental Activities Funds by a total of \$230,634. The Solid Waste Disposal Fund exceeded its budgeted amounts by \$204,972 which resulted from excess revenue distributed to other municipalities.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The Police Jury had invested in the following capital assets (net of depreciation) at the end of fiscal years 2004 and 2003:

	Governmental Activities 2004	Governmental Activities 2003
Land	\$1,571,531	\$1,564,831
Buildings	4,978,043	4,962,209
Building improvements	4,660,526	1,893,484
Machinery and equipment	647,979	638,112
Furniture and fixtures	774,363	211,150
Vehicles	786,382	571,040
Non-depreciable improvements	58,500	58,500
Construction in progress	1,567,800	1,310,476
Totals	\$15,045,124	\$11,209,802

**Debt Administration**

The Lincoln Parish Police Jury had \$ 4,990,000 in general obligation bonds at year-end compared to \$5,150,000 in the prior year, a decrease of 3.11% as shown below:

	2004	2003
Bonds payable	\$ 4,990,000	\$ 5,150,000

More detailed information on regarding the Police Jury's debt is presented in the notes to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

Our elected and appointed officials and citizens consider many factors when developing the Police Jury's budget and tax rates. Since approximately 79% of the total revenues in the General Fund are generated by severance taxes and ad valorem tax collections, careful monitoring of these amounts is of great importance in budget preparation. Additionally, the increase in the employer's portion of Parochial Employees' Retirement to 12.75% influenced the budget process.

## **CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the funds received by it. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Richard I. Durrett at the Lincoln Parish Police Jury office located on the third floor of the Lincoln Parish Courthouse, 100 West Texas Avenue, Ruston, LA or call (318) 513-6200 between the hours of 8AM and 5PM Monday through Friday.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2004

ASSETS	<u>Governmental Activities</u>
Cash	\$ 4,680,436
Investments	20,051,845
Accounts Receivable	6,027,424
Prepaid Expenses	132,000
Inventory	11,582
Capital Assets:	
Non-Depreciable	3,197,831
Depreciable	<u>11,847,293</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 45,948,411</u></b>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 1,330,079
Bank Overdrafts	394,410
Due To Other Entities	7,744
Total Current Liabilities	<u>1,732,233</u>
Non-Current Liabilities	
Due Within One Year	
Bonds Payable	175,000
Due in More Than One Year	
Compensated Absences	91,842
Bonds Payable	<u>4,815,000</u>
Total Non-Current Liabilities	<u>5,081,842</u>
<b>Total Liabilities</b>	<b>6,814,075</b>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	10,055,124
Restricted For:	
Capital Projects	16,447,277
Debt Service	579,624
Unrestricted	<u>12,052,311</u>
<b>Total Net Assets</b>	<b><u>39,134,336</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 45,948,411</u></b>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2004

Function/Program Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Government Activities:					
General Government	\$ 1,631,247	\$ 93,871	\$ -	\$ -	\$ (1,537,376)
Public Safety	524,465	331,227	32,236	-	(161,002)
Public Works	6,134,329	226,333	419,010	1,238,673	(4,250,313)
Health & Welfare	664,779	-	662,015	-	(2,764)
Operating Services	170,632	-	-	-	(170,632)
Culture & Recreation	1,875,867	-	10,000	-	(1,865,867)
Economic Development	33,048	-	-	-	(33,048)
Interest on Long-Term Debt	240,112	-	-	-	(240,112)
<b>Total Governmental Activities</b>	<b>\$ 11,274,479</b>	<b>\$ 651,431</b>	<b>\$ 1,123,261</b>	<b>\$ 1,238,673</b>	<b>(8,261,114)</b>

General Revenues:

Taxes:	
Property Taxes	4,374,958
Sales Taxes	3,589,627
Other Taxes	84,524
Severance Taxes	928,470
Intergovernmental Revenues	607,007
Miscellaneous	459,470
Interest Earned	723,544
<b>Total General Revenues</b>	<b>10,767,600</b>

Changes in Net Assets	2,506,486
Net Assets - Beginning	36,627,850
Net Assets - Ending	<u>\$ 39,134,336</u>

The accompanying notes are an integral part of this financial statement.



FUND FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2004

	General Fund	Road Construction Fund	Library Fund	Solid Waste Disposal Fund
<b>Assets:</b>				
Cash and cash equivalents	\$ 360,251	\$ -	\$ 608,866	\$ 291,451
Investments	774,080	459,071	1,341,876	-
Receivables	918,051	969,039	1,730,696	281,106
Prepaid expenses	132,000	-	-	-
Due from other funds	6,339	-	-	15,007
Inventory	-	11,582	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,190,721</b>	<b>\$ 1,439,692</b>	<b>\$ 3,681,438</b>	<b>\$ 587,564</b>
<b>Liabilities and fund equity:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 112,481	\$ 51,019	\$ 80,243	\$ 432,059
Bank Overdraft	2,605	352,225	-	-
Due to other funds	21,113	-	-	105,306
Due to other entities	7,744	-	-	-
<b>Total liabilities</b>	<b>143,943</b>	<b>403,244</b>	<b>80,243</b>	<b>537,365</b>
<b>Fund Balances:</b>				
<b>Reserved For:</b>				
Witness Fees	-	-	-	-
Inventories	-	11,585	-	-
Debt Service	-	-	-	-
<b>Unreserved, Reported In:</b>				
General Fund	2,046,778	-	-	-
Special Revenue Funds	-	1,024,863	3,601,195	50,199
Capital Project Funds	-	-	-	-
<b>Total fund equity</b>	<b>2,046,778</b>	<b>1,036,448</b>	<b>3,601,195</b>	<b>50,199</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 2,190,721</b>	<b>\$ 1,439,692</b>	<b>\$ 3,681,438</b>	<b>\$ 587,564</b>

Solid Waste Disposal Equipment Reserve Fund	Solid Waste Collection Fund	Hospital Proceeds Fund	Library Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 561,090	\$ 405,724	\$ 596,149	\$ 307,914	\$ 1,548,991	\$ 4,680,436
4,400,644	781,560	9,911,986	-	2,382,628	20,051,845
691	178,199	-	-	1,949,642	6,027,424
-	-	-	-	-	132,000
100,000	-	-	-	1,105,662	1,227,008
-	-	-	-	-	11,582
<u>\$ 5,062,425</u>	<u>\$ 1,365,483</u>	<u>\$ 10,508,135</u>	<u>\$ 307,914</u>	<u>\$ 6,986,923</u>	<u>\$ 32,130,295</u>
\$ -	\$ 7,605	\$ 15,273	\$ 83,881	\$ 547,518	\$ 1,330,079
-	-	-	-	39,580	394,410
15,007	580,881	492,862	-	11,839	1,227,008
-	-	-	-	-	7,744
<u>15,007</u>	<u>588,486</u>	<u>508,135</u>	<u>83,881</u>	<u>598,937</u>	<u>2,959,241</u>
-	-	-	-	71,315	71,315
-	-	-	-	-	11,585
-	-	-	-	579,624	579,624
-	-	-	-	-	2,046,778
-	776,997	-	-	4,561,221	10,014,475
5,047,418	-	10,000,000	224,033	1,175,826	16,447,277
<u>5,047,418</u>	<u>776,997</u>	<u>10,000,000</u>	<u>224,033</u>	<u>6,387,986</u>	<u>29,171,054</u>
<u>\$ 5,062,425</u>	<u>\$ 1,365,483</u>	<u>\$ 10,508,135</u>	<u>\$ 307,914</u>	<u>\$ 6,986,923</u>	<u>\$ 32,130,295</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
RECONCILIATION OF TOTAL GOVERNMENTAL  
FUND BALANCES TO NET ASSETS OF  
GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2004

Total Governmental Fund Balances	\$ 29,171,054
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*Amounts reported for governmental activities  
in the statement of net assets are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	15,045,124
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Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(5,081,842)</u>
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Net Assets of Governmental Activities	<u>\$ 39,134,336</u>
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The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2004

	General Fund	Road Construction Fund	Library Fund	Solid Waste Disposal Fund
<b>Revenues:</b>				
Taxes:				
Ad valorem	\$ 560,000	\$ 880,000	\$ 1,655,549	\$ -
1/2 cent sales tax	-	-	-	3,589,627
Other taxes, penalties and interest, etc.	11,704	-	-	-
Intergovernmental revenues:				
Federal funds:				
Section 8 Housing	8,154	-	-	-
Other federal funds	-	-	-	-
State funds:				
Parish transportation funds	-	-	-	-
State revenue sharing (net)	50,000	80,000	20,071	-
Grants - other local agencies	-	-	34,936	-
Severance tax	928,470	-	-	-
Fees, charges and commission for services	72,250	-	-	114,061
Fines and forfeitures	-	-	21,621	-
Use of money and property interest earnings and rents	109,934	5,718	24,439	-
Other revenues	153,260	4,433	5,647	-
<b>Total revenues</b>	<b>1,893,772</b>	<b>970,151</b>	<b>1,762,263</b>	<b>3,703,688</b>
<b>Expenditures:</b>				
General government	753,935	-	-	-
Public safety	524,465	-	-	-
Public works	-	818,897	-	3,061,213
Health and welfare	9,637	-	-	-
Operating services	-	-	-	-
Culture and recreation	25,671	-	1,312,413	-
Economic development and assistance	33,048	-	-	-
Capital Outlay	353,081	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest and other	-	-	-	-
<b>Total expenditures</b>	<b>1,699,837</b>	<b>818,897</b>	<b>1,312,413</b>	<b>3,061,213</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>193,935</b>	<b>151,254</b>	<b>449,850</b>	<b>642,475</b>
<b>Other financing sources (uses):</b>				
Operating transfers in	-	-	-	-
Operating transfers out	(50,000)	-	-	(744,059)
<b>Total other financing sources (uses)</b>	<b>(50,000)</b>	<b>-</b>	<b>-</b>	<b>(744,059)</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>143,935</b>	<b>151,254</b>	<b>449,850</b>	<b>(101,584)</b>
<b>Fund balances, beginning</b>	<b>1,902,843</b>	<b>885,194</b>	<b>3,151,345</b>	<b>151,783</b>
<b>Fund balances, ending</b>	<b>\$ 2,046,778</b>	<b>\$ 1,036,448</b>	<b>\$ 3,601,195</b>	<b>\$ 50,199</b>

Solid Waste Disposal Equipment Reserve Fund	Solid Waste Collection Fund	Hospital Proceeds Fund	Library Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 1,279,409	\$ 4,374,958
-	-	-	-	-	3,589,627
-	-	-	-	72,820	84,524
-	-	-	-	653,861	662,015
-	-	-	-	1,238,673	1,238,673
-	-	-	-	419,010	419,010
-	-	-	-	80,000	230,071
-	-	-	-	394,236	429,172
-	-	-	-	-	928,470
-	68,602	-	-	54,970	309,883
-	-	-	-	309,927	331,548
106,666	18,685	325,894	21,691	110,494	723,521
-	-	-	18,178	277,952	459,470
106,666	87,287	325,894	39,869	4,891,352	13,780,942
-	-	-	-	336,022	1,089,957
-	-	-	-	-	524,465
15,043	441,045	-	-	1,573,304	5,909,502
-	-	-	-	655,142	664,779
-	-	-	-	170,632	170,632
-	-	43,655	-	278,291	1,660,030
-	-	-	-	-	33,048
-	33,552	-	2,830,121	1,593,765	4,810,519
-	-	-	-	160,000	160,000
-	-	-	-	240,112	240,112
15,043	474,597	43,655	2,830,121	5,007,268	15,263,044
91,623	(387,310)	282,239	(2,790,252)	(115,916)	(1,482,102)
-	744,059	-	-	694,897	1,438,956
-	(360,627)	(282,239)	-	(2,031)	(1,438,956)
-	383,432	(282,239)	-	692,866	-
91,623	(3,878)	-	(2,790,252)	576,950	(1,482,102)
4,955,795	780,875	10,000,000	3,014,285	5,811,036	30,653,156
\$ 5,047,418	\$ 776,997	\$ 10,000,000	\$ 224,033	\$ 6,387,986	\$ 29,171,054

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2004

Net Change in Fund Balances - Total Governmental Funds \$ (1,482,102)

*Amounts reported for governmental activities in the statement of activities are different because:*

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital assets purchases capitalized	4,402,534
Depreciation Expense	<u>(567,212)</u>
	3,835,322

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt liabilities in the statement of net assets.	160,000
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The increase in compensated absences liability does not require the use of current financial resources but is recorded as an expense in the statement of activities.	<u>(6,734)</u>
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Change in Net Assets in Governmental Activities	<u><u>\$ 2,506,486</u></u>
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LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
STATEMENT OF NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2004

ASSETS	
Investments, at Fair Value	<u>\$ 911,645</u>
TOTAL ASSETS	<u><u>\$ 911,645</u></u>
LIABILITIES	
Liabilities	\$ -
NET ASSETS	
Held in Trust for Deferred Compensation Benefits	<u>911,645</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 911,645</u></u>

The accompanying notes are an integral part of this financial statement.



LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

INTRODUCTION

The Lincoln Parish Police Jury (the Jury) is the governing authority for Lincoln Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms that expire in January of 2008.

Louisiana Revised Statute 33:1236 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jury complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

Basis of Presentation

In June, 1999, the GASB unanimously approved statement No. 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the presentation of its funds financial information include a Management Discussion and Analysis (MD&A) section providing an analysis of the Jury's overall financial position and results of operations and financial statements prepared using full accrual accounting for all fund activities. These and other changes are reflected in the accompanying financial statements including the notes to the financial statements.

Reporting Entity

As the governing authority, for reporting purposes, the Lincoln Parish Police Jury is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, the Lincoln Parish 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 Jury are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement 14 established criteria for determining which component units should be considered part of the Lincoln Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is accountability. The GASB has set forth criteria to

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

be considered in determining financial accountability. These criteria include appointing a voting majority of an organization’s governing body and (1) the ability of the Jury to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Jury. Organizations for which the Jury does not appoint a voting majority but are fiscally dependent on the Jury. 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.

Based on the previous criteria, the police jury has determined that the following component units are part of the reporting entity:

<u>Component Units</u>	<u>Criteria Used</u>
Lincoln Parish Tax Assessor	2
Lincoln Parish District Attorney	2
Lincoln Parish Sheriff	2
Lincoln Parish Detention Center	2
Humanitarian Enterprises of Lincoln Parish	2

The following have been determined to be related organizations:

Lincoln Health Systems	1&2
Lincoln General Hospital	1&2
Fire Protection District No. 1 of Lincoln Parish	1&2
Lincoln Parish Industrial Development Board	1&2
Mount Olive Waterworks District	1&2
Waterworks District No. 1 of Lincoln Parish	1&2
Waterworks District No. 2 of Lincoln Parish	1&2
Waterworks District No. 3 of Lincoln Parish	1&2
Lincoln Parish Communications District	1&2

Since the Jury is legally separate and fiscally independent of other state and local governments and has a separately elected governing body, it meets the definition of a primary government as defined by GASB Statement 14.

The Police Jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government’s (police jury) financial statements are not a substitute for the reporting entity’s financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to government units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

Considered in the determination of component units of the reporting entity were the School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Lincoln Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Lincoln Parish Police Jury.

Measurement Focus, Basis of Accounting and Financial Statement Position

*Government-Wide Financial Statements* – The governmental-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

*Governmental Fund Financial Statements* – The 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; the Lincoln Parish Police Jury considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end.

Principle revenue sources considered susceptible to accrual include federal grants, interest on investments, sales and income taxes, and lease payments receivable. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the Jury's present appropriation system. These revenues have been accrued in accordance with accounting principles generally accepted in the United States of America since they have been earned and are expected to be collected within sixty days of the end of the period. Other revenues are considered to be measurable and available only when cash is received by the Jury. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure when utilized. The amount of accumulated annual leave unpaid at December 31, 2004 has been reported only in the governmental-wide financial statements.
- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.

Fund Accounting

The financial activities of the Jury are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Jury uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Position (Continued)

Governmental Funds

General Fund – This fund accounts for all activities of the Jury not specifically required to be accounted for in other funds. Included are transactions for services such as general government, health services, public safety, regulatory services and social services.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Debt Service – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Fund Types – These funds account for assets held by the Police Jury as a trustee or agent for other units of government. This fund includes the following:

Nonexpendable Trust Fund – Nonexpendable Trust Funds are used to account for assets held by the government in a trustee capacity for others. The principal of the trust must be held intact and only the income earned may be used for the purpose specified in the hospital sale proposition, as approved by voters of Lincoln Parish.

Agency Fund – Agency Funds are used to account for assets held by the government as an agent for individuals, private organization, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 expenses during the reporting periods. Actual results could differ from those estimates.

Budgetary Practices

Budgetary practices of the Police Jury include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget. Budgets are prepared in conformity with GAAP using the modified accrual basis of accounting. The secretary-treasurer is authorized to transfer budget amounts within a function by object classification; however, any revisions that alter the total expenditures of any function must be approved by the Lincoln Parish Police Jury. Appropriations lapse at year-end. Budgeted amounts shown in the accompanying financial statements include original adopted budget amounts and all subsequent amendments. The level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash includes demand deposits and money market accounts. Under state law, the Police Jury 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. Further, the Police Jury may invest in the time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Valuation of Carrying Amounts of Deposits

Cash is reported at net book value – the year end bank balance plus any deposits in transit and less any outstanding checks that have not cleared the bank as of that date.

Fund Equity

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 their use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definitions of “restricted” or “invested in capital assets, net of related debt.”

Receivables

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. In the process of aggregating data for the statements of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

Fixed Assets

Fixed assets of the Jury are stated at cost and are reported in the government-wide financial statements. Depreciation of all exhaustible fixed assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets

Prior to January 1, 2003, governmental funds infrastructure assets were not capitalized. The Police Jury has elected to delay the retroactive recognition of these costs until a later date because of the complexity of estimating historical costs. Since this date, these assets have been capitalized and depreciated as required by GASB Statement 34. Depreciable lives are from 5 years for equipment and vehicles, 40 years for buildings and 25 years for infrastructure assets.

Annual and Sick Leave

The following annual and sick leave policies are in effect:

Police Jury

Employees accrue from five to twenty days of annual and five to fifteen days sick leave each year depending on years of service with the Police Jury for a total of not more than 120 days. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

Library

Employees of the library earn from twelve to twenty days vacation leave each year depending on length of service and professional status. Vacation leave is not cumulative. Employees of the library earn twelve days sick leave each year, which can be accumulated up to twenty-four days for major medical purposes only. Sick leave lapses at termination of employment.

Third Judicial Criminal District Court

The employees of the district attorney's office, paid from the criminal court fund, accrue twelve days of annual leave and twelve days of sick leave each year. The leave must be used in the year earned. The employees of the district judge's office, paid from the criminal court fund, do not have a formal leave policy.

The Jury accrues costs incurred for annual leave. Accrued sick leave benefits are not accrued due to the policy of not paying benefits upon termination.

Sales and Use Tax

Lincoln Parish has a one-half percent parish-wide sales and use tax approved by the voters of the parish. The net proceeds of the tax (after costs of collections) are used for the purpose of acquiring, operating and maintaining parish-wide solid waste disposal facilities and equipment. After operational costs for the parish-wide solid waste disposal facilities and equipment are determined, the remainder of the proceeds is allocated and divided between the Police Jury and incorporated municipalities within the parish according to a prescribed formula.

Sales tax and use taxes are collected by the Lincoln-Ruston Sales Tax Division, an entity separate from the Police Jury, and the tax proceeds applicable to the Police Jury are transferred monthly.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories for all governmental funds are valued at cost. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation even though they are a component of reported assets. Inventories are accounted for as assets when purchased and recorded as expenditures as consumed.

NOTE 2 – CASH AND INVESTMENTS

At year end, the carrying amount of the Police Jury's deposits, net of overdrafts, was \$4,286,026, and the bank balance was \$4,422,774. The bank balance is categorized as follows:

Amount insured by FDIC and FSLIC	\$ 500,000
Amount collateralized with securities held by the pledging financial institution's agent in the Police Jury's name	3,922,774
Uncollateralized	-
Total bank balance	\$ 4,422,774

Investing is performed in accordance with investment policies complying with state statutes and the Jury's charter. The investments of the Jury are categorized to give an indication of the level of risk assumed by the Jury at December 31, 2004. The categories are described as follows:

- Category 1 - Insured or registered, with securities held by the entity or its agents in the entity's name.
- Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity's name.
- Category 3 - Uninsured and unregistered, with securities held by the counterparty, in its trust department in the entity's name.

Investments categorized by level of risk, are:

	Category			Carrying Amount	Fair Value
	1	2	3		
U.S. Treasury Notes	\$ 4,084,532	\$ -	\$ -	\$ 4,084,532	\$ 4,084,532
Government agency					
Bonds	15,300,649	-	-	15,300,649	15,698,191
Equity Investments	9,713	-	-	9,713	9,713
Certificates of deposit and money funds	656,951	-	-	656,951	656,951
Total investments	\$ 20,051,845	\$ -	\$ -	\$ 20,051,845	\$ 20,449,387

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 3 – RECEIVABLES

The receivables of \$6,027,424 on December 31, 2004, are detailed as follows:

Class of Receivables	General Fund	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total
Taxes:					
Ad valorem	\$ 595,794	\$ 3,630,013	\$ -	\$ 424,951	\$ 4,650,758
Other	268,045	272,029	73,608	-	613,682
State revenue sharing	32,167	105,356	-	-	137,523
State reimbursements	-	67,721	-	-	67,721
Other	<u>22,045</u>	<u>225,698</u>	<u>309,997</u>	<u>-</u>	<u>557,740</u>
Totals	<u>\$ 918,051</u>	<u>\$ 4,300,817</u>	<u>\$ 383,605</u>	<u>\$ 424,951</u>	<u>\$ 6,027,424</u>

Based on prior experience, the uncollectible ad valorem taxes net of proceeds from the sheriff's sale of property is immaterial, thus no provision has been made for such loss.

NOTE 4 – PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2004, is as follows:

	2003 Balance	Additions	Disposals	2004 Balance
Non-Depreciable Assets:				
Land	\$ 1,564,831	\$ 6,700	\$ -	\$ 1,571,531
CIP	1,310,476	1,567,800	( 1,310,476)	1,567,800
Improvements	<u>58,500</u>	<u>-</u>	<u>-</u>	<u>58,500</u>
Total	2,933,807	1,574,500	( 1,310,476)	3,197,831
Depreciable Assets:				
Buildings	8,340,047	141,323	-	8,481,370
Improvements	2,614,056	2,939,086	( 1,200)	5,551,942
Vehicles	1,359,375	283,401	( 31,917)	1,610,859
Furniture & fixtures	636,166	641,706	( 140,194)	1,137,678
Machinery & equipment	<u>1,686,083</u>	<u>182,736</u>	<u>( 201,195)</u>	<u>1,667,624</u>
Total	14,635,727	4,188,252	( 374,506)	18,449,473
Less: Accumulated Depreciation:				
Buildings	( 3,377,838)	( 125,489)	-	( 3,503,327)
Improvements	( 720,572)	( 171,924)	1,080	( 891,416)
Vehicles	( 721,263)	( 129,385)	26,171	( 824,477)
Furniture & fixtures	( 425,014)	( 62,448)	124,147	( 363,315)
Machinery & equipment	<u>( 1,115,045)</u>	<u>( 77,966)</u>	<u>173,366</u>	<u>( 1,019,645)</u>
Total	<u>( 6,359,732)</u>	<u>( 567,212)</u>	<u>324,764</u>	<u>( 6,602,180)</u>
Capital Assets, Net	<u>\$ 11,209,802</u>	<u>\$ 5,195,540</u>	<u>\$(1,360,218)</u>	<u>\$15,045,124</u>



LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 4 – PROPERTY AND EQUIPMENT (Continued)

Depreciation expense charged for \$567,212, as follows:

General government	\$ 126,548
Public works	224,827
Culture and recreation	<u>215,837</u>
Total	<u>\$ 567,212</u>

NOTE 5 – PENSION PLAN

Plan Description

Substantially all employees of the Lincoln Parish Police Jury are members of the Parochial Employees' Retirement System of Louisiana (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The system is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3% of final-average salary for each year of service credited after the revision date. Under Plan B, employees who retire at or after age 62 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3% for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100% of 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 the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above 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 Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 5 – PENSION PLAN (Continued)

Funding Policy

Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Lincoln Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 11.75% of annual covered payroll. Under Plan B, members are required by state to contribute 2.0% of their annual covered salary in excess on \$1,200 and the Lincoln Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 2.50% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Lincoln Parish Police Jury are established and may be amended by state statute. As provided by R.S. 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 Police Jury's contributions to the System under Plan A for the years ending December 31, 2004, 2003, and 2002 were \$304,223, \$193,433, and \$183,460, respectively, equal to the required contributions for each year.

NOTE 6 – LEASES

The Police Jury had no capital or operating leases in effect at December 31, 2004.

NOTE 7 – DUE TO/FROM OTHER FUNDS

Individual fund balances due to/from other funds at December 31, 2004, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 6,339	\$ 21,113
Special Revenue Funds:		
Solid Waste Disposal Fund	15,007	105,306
Solid Waste Equipment Reserve Fund	100,000	15,007
Hospital Proceeds Fund	-	492,862
Solid Waste Collection Fund	-	580,881
Non-Major Funds:		
Special Revenue Funds	591,708	6,126
Capital Projects Funds	<u>513,954</u>	<u>5,713</u>
Totals	<u>\$ 1,227,008</u>	<u>\$ 1,227,008</u>

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 8 – RESERVED FUND BALANCE – WITNESS FEES

Louisiana Revised Statute 15:255 provides for the payment of witness fees to off-duty law enforcement officers who, in their official capacity, are required to be present as a witness in criminal cases. Witness fees are paid from special court costs levied in criminal cases. Court costs and witness fees are accounted for in the Criminal Court Special Revenue Fund. The following schedule provides a detail of changes in the fund balance of the Law Enforcement Witness Fee Fund for the year ended December 31, 2004:

Balance at January 1, 2004	\$ 76,809
Court costs collected	5,140
Interest	559
Witness fees paid	<u>( 11,193)</u>
Balance at December 31, 2004	<u>\$ 71,315</u>

NOTE 9 – DESIGNATED FUND BALANCE – EQUIPMENT REPLACEMENT

The Lincoln Parish Police Jury, by ordinance, established the Solid Waste Equipment Reserve Special Revenue Fund to account for monies designated for replacement of solid waste collection and disposal equipment. Transfers are made from the Solid Waste Collection and Solid Waste Disposal Special Revenue Funds based on the amortization of equipment costs in those funds. The amounts transferred are recognized as operating transfers in the accompanying financial statements. The following schedule provides detail on changes for the year ended December 31, 2004.

	<u>Collection Equipment</u>	<u>Disposal Equipment</u>	<u>Total</u>
Balance at January 1, 2004	\$ 2,050,221	\$ 4,955,795	\$ 7,006,016
Transfers in	360,627	-	360,627
Sale of assets	-	-	-
Other revenues	42,144	106,666	148,810
Equipment replacement costs Expenditures	<u>( 256,015)</u>	<u>( 15,043)</u>	<u>( 271,058)</u>
Balance at December 31, 2004	<u>\$ 2,196,977</u>	<u>\$ 5,047,418</u>	<u>\$ 7,244,395</u>

The total Solid Waste Equipment Reserve as of December 31, 2004, is as follows:

Solid Waste Equipment Reserve	\$ 7,244,395
Sewer Fund Equipment Replacement	<u>111,912</u>
Total Fund Equity Designated for Equipment Replacement	<u>\$ 7,356,307</u>

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 10 – CRIMINAL COURT FUND SURPLUS

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus remaining in the Criminal Court Special Revenue Fund at year end be transferred to the parish General Fund. The following schedule provides a detail of changes in the fund balance of the Criminal Court Fund at December 31, 2004:

Balance at January 1, 2004	\$ ( 23,575)
Excess of revenues over expenditures	<u>23,575</u>
Excess in fund balance, December 31, 2004	<u>\$ _____ -</u>

NOTE 11 – LITIGATION AND CLAIMS

The Police Jury, at the present time, has pending litigation according to the district attorney in Lincoln Parish. In the opinion of the district attorney, the amount of the Police Jury's liability, if any, with respect to those matters will not materially affect the financial statement.

NOTE 12 – TAXES

Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

The following is a summary of authorized and ad valorem taxes levied on September 14, 2004:

	<u>Authorized</u> <u>Millage</u>	<u>Levied</u> <u>Millage</u>
Parish Taxes:		
General Fund inside Ruston	1.66	1.66
General Fund outside Ruston	3.33	3.33
Road Maintenance	4.06	4.06
Construction Improvement	4.06	4.06
Library Fund	8.29	8.29
Library Operation	2.00	2.00

NOTE 13 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2004, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances</u> <u>Favorable</u> <u>(Unfavorable)</u>
Solid Waste Collection Fund			
Revenues	\$ 777,548	\$ 831,346	\$ 53,798
Expenditures	777,548	835,224	( 57,676)

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 13 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Funds Without Budgets

All funds adopted a budget for the year ended December 31, 2004.

NOTE 14 – DEFERRED COMPENSATION PLAN

Employees of the Lincoln Parish Police Jury may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Lincoln Parish Police Jury. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by PEBSCO (Public Employees Benefit Service Corporation) and Hartford, Inc. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the Public Employee Benefit Service Corporation until paid or made available to the employees or beneficiaries, are the property of the Lincoln Parish Police Jury subject only to the claims of the Police Jury's general creditors.

In addition, the participants in the plan have rights equal to those of the general creditors of the Police Jury, and each participant's rights are equal to his or her share of the fair market value of the plan assets. The Police Jury believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise.

As part of its fiduciary role, the Police Jury has an obligation of due care in selecting the third-party administrator. In the opinion of the Police Jury's legal counsel, the Police Jury has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

NOTE 15 – POST EMPLOYMENT HEALTH CARE BENEFITS

In addition to the pension benefits described in Note 5, the Lincoln Parish Police Jury provides post-retirement health care benefits, in accordance with state statutes, to all employees who retire from the Police Jury meeting the following:

- After attaining age 60, with at least 10 years of service,
- After attaining age 55, with at least 25 years of service, or
- No age requirement if the employee has provided 30 years of service

Currently, 23 employees meet one of the above eligibility requirements.

During the year, expenditures of \$217,455 were recognized for post-retirement care.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 16 – BONDS PAYABLE

General obligation bonds were issued in the amount of \$5,300,000 on March 1, 2001, for the purpose of library renovations. The bonds are to be repaid by March 2021 by Ad Valorem taxes with the first interest only payment due March 1, 2002. Principal payments commenced on March 1, 2003. The bonds carry a net interest cost of 4.763868%. The following is the future principal and interest requirements:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<i>Government Activities:</i>					
<i>Bonds Payable:</i>					
General Obligation Refunding Bond, Series 2001	\$ 5,150,000	\$ -	\$ 160,000	\$ 4,990,000	\$ 175,000
Accrued Vacation and Sick Time	<u>85,085</u>	<u>6,757</u>	<u>-</u>	<u>91,842</u>	<u>91,842</u>
Total Governmental Activities Long-Term Debt	<u>\$ 5,235,085</u>	<u>\$ 6,757</u>	<u>\$ 160,000</u>	<u>\$ 5,081,842</u>	<u>\$ 266,842</u>

Payments on the bonds payable that pertain to the Police Jury's governmental activities are made by the debt service fund. The accrued vacation and sick time will be liquidated primarily by the General Fund. Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable.

Principal and interest requirements to retire the Police Jury's bonds payable obligation are as follows:

<u>Year Ended December 31,</u>	<u>Certificates of Indebtedness Series 2001</u>	
	<u>Principal</u>	<u>Interest</u>
2005	\$ 175,000	\$ 231,055
2006	190,000	222,880
2007	205,000	217,980
2008	220,000	205,380
2009	230,000	194,205
2010-2014	1,355,000	790,710
2015-2019	1,760,000	433,890
2020-2021	<u>855,000</u>	<u>43,375</u>
Total	<u>\$ 4,990,000</u>	<u>\$ 2,339,475</u>

**REQUIRED SUPPLEMENTAL INFORMATION (PART B)  
BUDGETARY COMPARISON SCHEDULES**

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 468,500	\$ 560,000	\$ 560,000	\$ -
Other Taxes, Penalties & Interest	-	-	11,704	11,704
Intergovernmental Revenues:				
Federal Funds:				
Section 8 Housing	10,000	7,500	8,154	654
State Funds:				
State Revenue Sharing	50,000	50,000	50,000	-
Severance Tax	889,000	823,733	928,470	104,737
Fees, Charges & Commission for Services	30,000	17,500	72,250	54,750
Use of Money and Property, Interest Earnings and Rent	80,000	79,500	109,934	30,434
Other Revenues	171,810	185,861	153,260	(32,601)
Total Revenues	1,699,310	1,724,094	1,893,772	169,678
<u>Expenditures (Outflows):</u>				
General Government				
Legislative	267,705	261,910	257,781	4,129
Judicial	276,131	222,953	228	222,725
Elections	38,345	47,035	44,235	2,800
Finance and Administration	409,645	406,575	408,973	(2,398)
Other General Government	38,875	41,360	42,718	(1,358)
Public Safety	267,191	266,586	524,465	(257,879)
Health and Welfare	7,700	9,700	9,637	63
Culture and Recreation	25,700	25,700	25,671	29
Economic Development	37,225	37,225	33,048	4,177
Capital Outlay	395,570	355,050	353,081	1,969
Total Expenditures	1,764,087	1,674,094	1,699,837	(25,743)
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	(64,777)	50,000	193,935	143,935
<u>Other Financing Uses:</u>				
Operating Transfers Out	(50,000)	(50,000)	(50,000)	-
<u>Excess (Deficiency) of Revenues Over Expenditures and Other Uses</u>	(114,777)	-	143,935	143,935
<u>Fund Balance at Beginning of Year</u>	1,821,116	1,929,254	1,902,843	(26,411)
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 1,706,339</u>	<u>\$ 1,929,254</u>	<u>\$ 2,046,778</u>	<u>\$ 117,524</u>

The accompanying notes are an integral part of this financial statement.



LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE -  
ROAD CONSTRUCTION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 744,350	\$ 880,000	\$ 880,000	\$ -
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	80,300	80,000	80,000	-
Use of Money and Property,				
Interest Earnings and Rent	5,000	3,500	5,718	2,218
Other Revenues	2,200	4,500	4,433	(67)
	<u>831,850</u>	<u>968,000</u>	<u>970,151</u>	<u>2,151</u>
<u>Expenditures (Outflows):</u>				
Public Works	<u>831,850</u>	<u>832,125</u>	<u>818,897</u>	<u>13,228</u>
	<u>831,850</u>	<u>832,125</u>	<u>818,897</u>	<u>13,228</u>
<u>Excess of Revenues Over Expenditures</u>	-	135,875	151,254	15,379
<u>Fund Balance at Beginning of Year</u>	<u>810,294</u>	<u>883,514</u>	<u>885,194</u>	<u>1,680</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 810,294</u>	<u>\$ 1,019,389</u>	<u>\$ 1,036,448</u>	<u>\$ 17,059</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE -  
LIBRARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 1,519,000	\$ 1,655,549	\$ 1,655,549	\$ -
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	63,000	63,000	20,071	(42,929)
Grants - Other Local Agencies	17,700	225	34,936	34,711
Fees, Charges & Commission for				
Services	14,000	1,052	21,621	20,569
Use of Money and Property,				
Interest Earnings and Rent	35,886	23,856	24,439	583
Other Revenues	8,000	4,672	5,647	975
Total Revenues	1,657,586	1,748,354	1,762,263	13,909
<u>Expenditures (Outflows):</u>				
Culture and Recreation	1,397,367	1,375,650	1,312,413	63,237
Total Expenditures	1,397,367	1,375,650	1,312,413	63,237
<u>Excess of Revenues Over Expenditures</u>	260,219	372,704	449,850	77,146
<u>Fund Balance at Beginning of Year</u>	1,323,731	785,597	3,151,345	2,365,748
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 1,583,950</u>	<u>\$ 1,158,301</u>	<u>\$ 3,601,195</u>	<u>\$ 2,442,894</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE -  
SOLID WASTE DISPOSAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
1/2 Cent Sales Tax	\$ 2,600,000	\$ 3,500,000	\$ 3,589,627	\$ 89,627
Fees, Charges & Commission for Services	<u>72,300</u>	<u>100,300</u>	<u>114,061</u>	<u>13,761</u>
Total Revenues	2,672,300	3,600,300	3,703,688	103,388
<u>Expenditures (Outflows):</u>				
Public Works	<u>2,269,628</u>	<u>2,899,752</u>	<u>3,061,213</u>	<u>(161,461)</u>
<u>Excess of Revenues Over Expenditures</u>	402,672	700,548	642,475	(58,073)
<u>Other Financing Uses:</u>				
Transfers Out	(402,672)	(700,548)	(744,059)	(43,511)
<u>Fund Balance at Beginning of Year</u>	<u>151,783</u>	<u>151,783</u>	<u>151,783</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 151,783</u>	<u>\$ 151,783</u>	<u>\$ 50,199</u>	<u>\$ (101,584)</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE -  
SOLID WASTE DISPOSAL EQUIPMENT RESERVE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Use of Money and Property, Interest Earnings and Rent	\$ 164,000	\$ 112,000	\$ 106,666	\$ (5,334)
Total Revenues	164,000	112,000	106,666	(5,334)
<u>Expenditures (Outflows):</u>				
Public Works	164,000	13,200	15,043	(1,843)
Total Expenditures	164,000	13,200	15,043	(1,843)
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	-	98,800	91,623	(7,177)
<u>Fund Balance at Beginning of Year</u>	4,966,477	4,961,477	4,955,795	(5,682)
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 4,966,477</u>	<u>\$ 5,060,277</u>	<u>\$ 5,047,418</u>	<u>\$ (12,859)</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE -  
SOLID WASTE COLLECTION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Fees, Charges & Commission for Services	\$ 55,000	\$ 60,000	\$ 68,602	\$ 8,602
Use of Money and Property, Interest Earnings and Rent	20,000	17,000	18,685	1,685
Total Revenues	75,000	77,000	87,287	10,287
<u>Expenditures (Outflows):</u>				
Public Works	477,672	473,250	441,045	32,205
Capital Outlay	-	35,000	33,552	1,448
Total Charges to Appropriations	477,672	508,250	474,597	33,653
<u>Excess (Deficiency) of Resources</u>				
<u>Over Expenditures</u>	(402,672)	(431,250)	(387,310)	43,940
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	402,672	700,548	744,059	43,511
Operating Transfers Out	-	(269,298)	(360,627)	(91,329)
Total Other Financing Sources (Uses)	402,672	431,250	383,432	(47,818)
<u>Excess (Deficiency) of Revenues and</u>				
<u>Other Sources Over Expenditures and</u>				
<u>Other Uses</u>	-	-	(3,878)	(3,878)
<u>Fund Balance at Beginning of Year</u>	780,875	780,875	780,875	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 780,875</u>	<u>\$ 780,875</u>	<u>\$ 776,997</u>	<u>\$ (3,878)</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE -  
HOSPITAL PROCEEDS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Use of Money and Property, Interest Earnings and Rent	\$ 285,000	\$ 327,400	\$ 325,894	\$ (1,506)
Total Revenues	285,000	327,400	325,894	(1,506)
<u>Expenditures (Outflows):</u>				
Operating Services	35,800	56,000	43,655	12,345
<u>Excess of Revenues Over Expenditures</u>	249,200	271,400	282,239	10,839
<u>Other Financing Uses</u>				
Operating Transfers Out	(249,200)	(274,700)	(282,239)	(7,539)
<u>Fund Balance at Beginning of Year</u>	9,964,346	9,968,092	10,000,000	31,908
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 9,964,346</u>	<u>\$ 9,964,792</u>	<u>\$ 10,000,000</u>	<u>\$ 35,208</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE -  
LIBRARY CONSTRUCTION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Use of Money and Property,				
Interest Earnings and Rent	\$ 10,000	\$ 21,500	\$ 21,691	\$ 191
Other Revenues	-	-	18,178	18,178
Total Revenues	10,000	21,500	39,869	18,369
<u>Expenditures (Outflows):</u>				
Capital Outlay	2,868,784	2,808,450	2,830,121	(21,671)
Total Expenditures	2,868,784	2,808,450	2,830,121	(21,671)
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	(2,858,784)	(2,786,950)	(2,790,252)	(3,302)
<u>Fund Balance at Beginning of Year</u>	71,112	3,011,237	3,014,285	3,048
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ (2,787,672)</u>	<u>\$ 224,287</u>	<u>\$ 224,033</u>	<u>\$ (254)</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2004

Budgetary practices of the Police Jury include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget. Budgets are prepared in conformity with GAAP using the modified accrual basis of accounting. The secretary-treasurer is authorized to transfer budget amounts within a function by object classification; however, any revisions that alter the total expenditures of any function must be approved by the Lincoln Parish Police Jury. Appropriations lapse at year-end. Budgeted amounts shown in the accompanying financial statements include original adopted budget amounts and all subsequent amendments. The level of budgetary responsibility is by total appropriations; however, for report purposes, this level has been expanded to a functional basis.

State law requires the Police Jury to amend its budgets when revenues plus projected revenues within a fund are expected to fall short from budgeted revenues by five percent or more and when expenditures and other uses of a fund are expected to exceed budgeted amounts by five percent or more.

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2004, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances Favorable (Unfavorable)</u>
Solid Waste Collection Fund			
Revenues	\$ 777,548	\$ 831,346	\$ 53,798
Expenditures	777,548	835,224	( 57,676)



OTHER SUPPLEMENTAL INFORMATION

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
DECEMBER 31, 2004

NONMAJOR SPECIAL REVENUE FUNDS

Special Road Fund

The Special Road Fund accounts for the operation of the Lincoln Parish Highway Department, other than materials and personal services. Financing is provided by state appropriations, parish royalty road funds and interest earned on time deposits and operating transfers from other road funds.

Road Maintenance Fund

The Road Maintenance Fund accounts for maintenance of parish highways, streets and bridges. Financing is provided by a parish-wide ad valorem tax, state revenue sharing funds, interest earned on time deposits and operating transfers from the General Fund and other road funds.

Solid Waste Funds

The Solid Waste Disposal fund accounts for the proceeds of the parish-wide one-half cent sales and use tax for the operation of a parish sanitary landfill.

Solid Waste Equipment Reserve Funds

The Solid Waste Equipment Reserve Fund accumulates funds for capital outlay expenditures for the replacement and purchase of new equipment and other capital outlay expenditures for both the solid waste collection system and the sanitary landfill facility. Financing is provided by transfers from the Solid Waste Collection Fund and the Solid Waste Disposal Fund, based on amortization of equipment used in the two operations and from interest earned on time deposits.

Criminal Court Fund

The Criminal Court Fund is used to account for the operations of the Third Judicial District Criminal Court in Lincoln Parish. Financing is provided from fines, forfeitures and court costs as provided by applicable *Louisiana Revised Statutes*. Expenditures are made from the fund on motion of the district attorney and approval of the district judges.

Law Enforcement Witness Fee Fund

The Law Enforcement Witness Fee Fund is used for the payment of witness fees to off-duty law enforcement officers who in their official capacity are required to be present as a witness in criminal cases. Witness fees are paid from special court costs levied in criminal cases.

GIS Mapping Fund

The GIS Mapping Fund is used to account for revenues and expenses of the GIS Mapping.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES (CONTINUED)  
DECEMBER 31, 2004

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

GIS Project Reserve

The GIS Project Reserve Fund accumulates funds for capital outlay expenditures for the replacement and purchase of new equipment and other capital outlay expenditures for the GIS Mapping Fund.

Juvenile Assistance Fund

The Juvenile Assistance Fund accounts for the operations of a counseling program for juvenile offenders. Financing is provided through grants from the Lincoln Parish Police Jury, Union Parish Police Jury and the City of Ruston.

Health Unit Fund

The Health Unit Fund accounts for a portion of the maintenance and operations of the parish health unit. Financing is provided by grants from the Lincoln Parish School Board, the City of Ruston, operating transfers from the General Fund and interest earned on bank deposits.

Section 8 Housing Fund

The Section 8 Housing Fund is used to account for rental assistance funds for low-income families. Financing is provided by grants from the United States Department of Housing and Urban Development.

Sewer Fund

The Sewer Fund is used to account for the operations of the Blueberry Hill sewer system. Financing is provided by user fees.

Sewer Equipment Replacement Fund

The Sewer Equipment Replacement Fund accumulates funds for capital outlay expenditures for the replacement and purchase of new equipment and other capital outlay expenditures for the sewer fund.

IT Director Fund

The IT Director Fund is used to account for the operations of the Information Technology system. Funding is primarily provided by contracts and fees for services.

Mosquito Control Fund

The Mosquito Control Fund is used to account for the operations of the mosquito control program throughout the Parish.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2004

	Special Road Fund	Road Maintenance Fund	Solid Waste Recycling Fund	Solid Waste Collection Equipment Reserve Fund	Criminal Court Fund
<b>Assets:</b>					
Cash and cash equivalents	\$ 101,757	\$ 41,315	\$ 14,397	\$ 99,830	\$ -
Investments	753,565	12,975	-	1,599,843	-
Receivables	70,126	969,142	830	4,375	22,956
Due from other funds	10,665	-	-	578,038	21
<b>TOTAL ASSETS</b>	<b>\$ 936,113</b>	<b>\$ 1,023,432</b>	<b>\$ 15,227</b>	<b>\$ 2,282,086</b>	<b>\$ 22,977</b>
<b>Liabilities and fund equity:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 6,538	\$ 39,719	\$ -	\$ 85,109	\$ 17,688
Bank Overdraft	-	-	-	-	789
Due to other funds	-	-	-	-	4,500
<b>Total liabilities</b>	<b>6,538</b>	<b>39,719</b>	<b>-</b>	<b>85,109</b>	<b>22,977</b>
<b>Fund equity:</b>					
<b>Fund balances:</b>					
Reserve for witness fees	-	-	-	-	-
<b>Unreserved:</b>					
Designated for equipment replacement	-	-	-	2,196,977	-
Undesignated	929,575	983,713	15,227	-	-
<b>Total fund equity</b>	<b>929,575</b>	<b>983,713</b>	<b>15,227</b>	<b>2,196,977</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 936,113</b>	<b>\$ 1,023,432</b>	<b>\$ 15,227</b>	<b>\$ 2,282,086</b>	<b>\$ 22,977</b>

Law Enforcement Witness Fee Fund	GIS Project Reserve Fund	Juvenile Assistance Fund	Health Unit Fund	Section 8 Housing Fund	Sewer Fund	
\$ 69,315	\$ 2,170	\$ 1,733	\$ 11,808	\$ 265,162	\$ 9,956	
-	-	-	-	-	-	
-	-	-	417	15,429	11,643	
2,000	984	-	-	-	-	
<u>\$ 71,315</u>	<u>\$ 3,154</u>	<u>\$ 1,733</u>	<u>\$ 12,225</u>	<u>\$ 280,591</u>	<u>\$ 21,599</u>	C
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,109	O
-	-	-	-	-	-	N
-	-	-	-	547	-	T
-	-	-	-	547	1,109	I
71,315	-	-	-	-	-	N
-	-	-	-	-	-	U
-	3,154	1,733	12,225	280,044	20,490	E
<u>71,315</u>	<u>3,154</u>	<u>1,733</u>	<u>12,225</u>	<u>280,044</u>	<u>20,490</u>	D
<u>\$ 71,315</u>	<u>\$ 3,154</u>	<u>\$ 1,733</u>	<u>\$ 12,225</u>	<u>\$ 280,591</u>	<u>\$ 21,599</u>	

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2004

	<u>Sewer Fund Equipment Replacement</u>	<u>I T Director Fund</u>	<u>GIS Mapping Fund</u>	<u>Mosquito Control Fund</u>	<u>Totals</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 111,912	\$ -	\$ -	\$ -	\$ 729,355
Investments	-	-	-	-	2,366,383
Receivables	-	13,168	21,000	12,000	1,141,086
Due from other funds	-	-	-	-	591,708
<b>TOTAL ASSETS</b>	<b><u>\$ 111,912</u></b>	<b><u>\$ 13,168</u></b>	<b><u>\$ 21,000</u></b>	<b><u>\$ 12,000</u></b>	<b><u>\$ 4,828,532</u></b>
<b>Liabilities and fund equity:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 85	\$ 42	\$ -	\$ 150,290
Bank overdraft	-	7,637	19,154	12,000	39,580
Due to other funds	-	-	1,079	-	6,126
<b>Total liabilities</b>	<b>-</b>	<b>7,722</b>	<b>20,275</b>	<b>12,000</b>	<b>195,996</b>
<b>Fund equity:</b>					
<b>Fund balances:</b>					
Reserve for witness fees	-	-	-	-	71,315
<b>Unreserved:</b>					
Designated for equipment replacement	111,912	-	-	-	2,308,889
Undesignated	-	5,446	725	-	2,252,332
<b>Total fund equity</b>	<b><u>111,912</u></b>	<b><u>5,446</u></b>	<b><u>725</u></b>	<b><u>-</u></b>	<b><u>4,632,536</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 111,912</u></b>	<b><u>\$ 13,168</u></b>	<b><u>\$ 21,000</u></b>	<b><u>\$ 12,000</u></b>	<b><u>\$ 4,828,532</u></b>

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	Special Road Fund	Road Maintenance Fund	Solid Waste Recycling Fund	Solid Waste Collection Equipment Reserve Fund	Criminal Court Fund
Revenues:					
Taxes:					
Ad valorem	\$ -	\$ 880,000	\$ -	\$ -	\$ -
Intergovernmental revenues:					
Federal funds:					
Section 8 Housing	-	-	-	-	-
State funds:					
Parish transportation funds	419,010	-	-	-	-
State revenue sharing (net)	-	80,000	-	-	-
Grants - other local agencies	-	-	-	-	-
Fees, charges and commission for services	-	-	-	-	6,160
Fines and forfeitures	-	-	-	-	309,927
Use of money and property interest earnings and rents	31,693	63	-	42,144	181
Other revenues	110	4,886	37,378	-	-
Total revenues	<u>450,813</u>	<u>964,949</u>	<u>37,378</u>	<u>42,144</u>	<u>316,268</u>
Expenditures:					
General government:					
Judicial	-	-	-	-	292,693
Public works	394,894	940,396	43,153	-	-
Health and welfare	-	-	-	-	-
Other	-	-	-	-	-
Capital outlay	14,548	-	-	256,015	-
Total expenditures	<u>409,442</u>	<u>940,396</u>	<u>43,153</u>	<u>256,015</u>	<u>292,693</u>
Excess (deficiency) of revenues over expenditures	<u>41,371</u>	<u>24,553</u>	<u>(5,775)</u>	<u>(213,871)</u>	<u>23,575</u>
Other financing sources (uses):					
Operating transfers in	-	-	-	360,627	-
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,627</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	41,371	24,553	(5,775)	146,756	23,575
Fund balances, beginning	<u>888,204</u>	<u>959,160</u>	<u>21,002</u>	<u>2,050,221</u>	<u>(23,575)</u>
Fund balances, ending	<u>\$ 929,575</u>	<u>\$ 983,713</u>	<u>\$ 15,227</u>	<u>\$ 2,196,977</u>	<u>\$ -</u>

Law Enforcement Witness Fee Fund	GIS Project Reserve Fund	Juvenile Assistance Fund	Health Unit Fund	Section 8 Housing Fund	Sewer Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	653,861	-	
-	-	-	-	-	-	
-	-	32,236	5,000	-	-	
5,140	-	-	-	-	43,670	
-	-	-	-	-	-	
559	1	39	6	2,099	-	C
-	1,188	-	-	100,156	-	
<u>5,699</u>	<u>1,189</u>	<u>32,275</u>	<u>5,006</u>	<u>756,116</u>	<u>43,670</u>	O
						N
						T
11,193	-	32,136	-	-	-	
-	-	-	-	-	32,586	I
-	-	-	11,152	618,990	-	
-	-	-	-	-	-	N
-	27	-	-	-	-	
<u>11,193</u>	<u>27</u>	<u>32,136</u>	<u>11,152</u>	<u>618,990</u>	<u>32,586</u>	U
						E
<u>(5,494)</u>	<u>1,162</u>	<u>139</u>	<u>(6,146)</u>	<u>137,126</u>	<u>11,084</u>	D
-	984	-	10,500	1,047	-	
-	-	-	-	(1,047)	-	
-	984	-	10,500	-	-	
(5,494)	2,146	139	4,354	137,126	11,084	
<u>76,809</u>	<u>1,008</u>	<u>1,594</u>	<u>7,871</u>	<u>142,918</u>	<u>9,406</u>	
<u>\$ 71,315</u>	<u>\$ 3,154</u>	<u>\$ 1,733</u>	<u>\$ 12,225</u>	<u>\$ 280,044</u>	<u>\$ 20,490</u>	



LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	Sewer Fund Equipment Replacement	I T Director Fund	GIS Mapping Fund	Mosquito Control Fund	Totals
Revenues:					
Taxes:					
Ad valorem	\$ -	\$ -	\$ -	\$ -	\$ 880,000
Intergovernmental revenues:					
Federal funds:					
Section 8 Housing	-	-	-	-	653,861
State funds:					
Parish transportation funds	-	-	-	-	419,010
State revenue sharing (net)	-	-	-	-	80,000
Grants - other local agencies	-	168,000	166,000	13,000	384,236
Fees, charges and commission for services	-	-	-	-	54,970
Fines and forfeitures	-	-	-	-	309,927
Use of money and property interest earnings and rents	-	-	-	-	76,785
Other revenues	-	-	-	-	143,718
Total revenues	<u>-</u>	<u>168,000</u>	<u>166,000</u>	<u>13,000</u>	<u>3,002,507</u>
Expenditures:					
General government:					
Judicial	-	-	-	-	336,022
Public works	-	-	162,275	-	1,573,304
Health and welfare	-	-	-	25,000	655,142
Other	-	170,632	-	-	170,632
Capital outlay	-	-	3,000	-	273,590
Total expenditures	<u>-</u>	<u>170,632</u>	<u>165,275</u>	<u>25,000</u>	<u>3,008,690</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(2,632)</u>	<u>725</u>	<u>(12,000)</u>	<u>(6,183)</u>
Other financing sources (uses):					
Operating transfers in	-	-	-	12,000	385,158
Operating transfers out	-	-	(984)	-	(2,031)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(984)</u>	<u>12,000</u>	<u>383,127</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>(2,632)</u>	<u>(259)</u>	<u>-</u>	<u>376,944</u>
Fund balances, beginning	<u>111,912</u>	<u>8,078</u>	<u>984</u>	<u>-</u>	<u>4,255,592</u>
Fund balances, ending	<u>\$ 111,912</u>	<u>\$ 5,446</u>	<u>\$ 725</u>	<u>\$ -</u>	<u>\$ 4,632,536</u>

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
DECEMBER 31, 2004

NONMAJOR CAPITAL PROJECTS FUNDS

Park and Recreation Fund

The Park and Recreation Fund is used to account for the development and operation of a parish-wide park system. Financing is provided primarily by operating transfers from the General Fund and self-generated revenues from entrance fees and shelter rentals.

Courthouse Capital Projects Fund

The Courthouse Capital Projects Fund is used to account for renovations of the Courthouse. Financing is provided primarily by operating transfers from the General Fund.

North Louisiana Exhibition Center Fund

The North Louisiana Exhibition Center Fund is used to account for the development and operation of an exhibition center for livestock shows. Financing is provided primarily by donations and self-generated revenues from entry fees.

Bridge Replacement and Road Improvement Fund

The Bridge Replacement and Road Improvement Fund was created to account for the replacement of bridges and improvements to roads throughout the parish as set forth in the Capital Improvement Program. It is funded from one-half of the interest proceeds from the Hospital Proceeds Investment Fund.

Barker Sewer Project

The Barker Sewer Project is used to account for the development and operation of the Barker Sewer Project. Funding is primarily from state grants.

Chatham Sewer Project

The Chatham Sewer Project is used to account for the development and operation of the Chatham Sewer Project. Funding is primarily from state grants.

Rural Development Fund

The Rural Development Fund is used to account for the funds that supplement the Barker and Chatham Sewer Projects. Funding is primarily from state grants.

Stormwater Conservation Fund

The Stormwater Conservation Fund is used to account for the Lincoln Parish Stormwater Conservation Management Program. Funding is primarily from federal grants.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NONMAJOR CAPITAL PROJECTS FUND  
COMBINING BALANCE SHEET  
DECEMBER 31, 2004

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Road Improvement Fund
Assets:				
Cash and cash equivalents	\$ 53,889	\$ 561,509	\$ 21,791	\$ 27,774
Investments	16,245	-	-	-
Receivables	10,367	63,241	32	-
Due from other funds	-	119,004	-	394,950
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 80,501</u>	<u>\$ 743,754</u>	<u>\$ 21,823</u>	<u>\$ 422,724</u>
Liabilities and fund equity:				
Liabilities:				
Accounts payable	\$ 2,225	\$ 85,038	\$ -	\$ -
Due to other funds	3,718	-	1,020	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>5,943</u>	<u>85,038</u>	<u>1,020</u>	<u>-</u>
Fund equity:				
Fund balances:				
Unreserved:				
Designated for future expenditures	74,558	658,716	20,803	422,724
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund equity	<u>74,558</u>	<u>658,716</u>	<u>20,803</u>	<u>422,724</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 80,501</u>	<u>\$ 743,754</u>	<u>\$ 21,823</u>	<u>\$ 422,724</u>

Barker Sewer Project	Chatham Sewer Project	Rural Development Fund	Stormwater Conservation Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ 664,963
-	-	-	-	16,245
48,331	243,674	12,960	5,000	383,605
-	-	-	-	513,954
<u>\$ 48,331</u>	<u>\$ 243,674</u>	<u>12,960</u>	<u>5,000</u>	<u>\$ 1,578,767</u>
\$ 48,331	243,674	12,960	5,000	\$ 397,228
975	-	-	-	5,713
<u>49,306</u>	<u>243,674</u>	<u>12,960</u>	<u>5,000</u>	<u>402,941</u>
<u>(975)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,175,826</u>
<u>(975)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,175,826</u>
<u>\$ 48,331</u>	<u>\$ 243,674</u>	<u>\$ 12,960</u>	<u>\$ 5,000</u>	<u>\$ 1,578,767</u>

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2004

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Road Improvement Fund
Revenues:				
Grants	\$ -	\$ 63,241	\$ 10,000	\$ -
Other taxes, penalties and interest, etc.	72,820	-	-	-
Use of money and property - interest and rent	-	4,029	28,036	-
Other revenues	119,406	-	14,828	-
Total revenues	<u>192,226</u>	<u>67,270</u>	<u>52,864</u>	<u>-</u>
Expenditures:				
Operating services:				
Culture and recreation	235,714	-	42,577	-
Capital outlay	-	95,522	-	49,221
Total expenditures	<u>235,714</u>	<u>95,522</u>	<u>42,577</u>	<u>49,221</u>
Excess (deficiency) of revenues over expenditures	<u>(43,488)</u>	<u>(28,252)</u>	<u>10,287</u>	<u>(49,221)</u>
Other financing sources (uses):				
Operating transfers in	50,000	-	-	259,739
Proceeds from sale of assets	-	-	-	-
Total other financing sources (uses)	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>259,739</u>
Excess (deficiency) of revenues and other and other sources over expenditures and other uses	6,512	(28,252)	10,287	210,518
Fund balance, beginning	<u>68,046</u>	<u>686,968</u>	<u>10,516</u>	<u>212,206</u>
Fund balance, ending	<u>\$ 74,558</u>	<u>\$ 658,716</u>	<u>\$ 20,803</u>	<u>\$ 422,724</u>

Barker Sewer Project	Chatham Sewer Project	Rural Development Fund	Stormwater Conservation Fund	Totals
\$ 746,579	\$ 374,421	\$ 19,432	\$ 35,000	1,248,673
-	-	-	-	72,820
-	-	-	-	32,065
-	-	-	-	134,234
<u>746,579</u>	<u>374,421</u>	<u>19,432</u>	<u>35,000</u>	<u>1,487,792</u>
-	-	-	-	278,291
<u>746,579</u>	<u>374,421</u>	<u>19,432</u>	<u>35,000</u>	<u>1,320,175</u>
<u>746,579</u>	<u>374,421</u>	<u>19,432</u>	<u>35,000</u>	<u>1,598,466</u>
-	-	-	-	(110,674)
-	-	-	-	309,739
-	-	-	-	-
-	-	-	-	309,739
-	-	-	-	199,065
<u>(975)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>976,761</u>
<u>\$ (975)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,175,826</u>

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
LIBRARY BONDING SINKING FUND - DEBT SERVICE FUND  
BALANCE SHEET  
DECEMBER 31, 2004

ASSETS

Cash	\$ 154,673
Accounts Receivable	<u>424,951</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 579,624</u></u></b>

LIABILITIES

Liabilities	\$ -
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FUND BALANCE

Unrestricted	<u>579,624</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u><u>\$ 579,624</u></u></b>

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
LIBRARY BONDING SINKING FUND - DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 2004

Revenues:	
Taxes:	
Ad Valorem	\$ 399,409
Use of Money and Property	
Interest Earnings	<u>1,644</u>
Total Revenues	401,053
Expenditures:	
Principal Payments	160,000
Interest Payments	<u>240,112</u>
Total Expenditures	<u>400,112</u>
Excess of revenues over expenditures	941
Fund balance, beginning	<u>578,683</u>
Fund balance, ending	<u><u>\$ 579,624</u></u>



LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SUPPLEMENTAL INFORMATION SCHEDULES  
DECEMBER 31, 2004

COMPENSATION PAID POLICE JURORS

The schedule of compensation paid to police jurors was prepared in compliance with House concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The compensation of the police jurors is included in the legislative expenditures of the General Fund. As provided by Louisiana Revised Statute 33:1233, the Police Jury has elected the monthly payment method of compensation. Under this method, the jurors received \$875 per month in lieu of per diem payments, and the president received \$975 per month in lieu of per diem payments.

FEDERALLY ASSISTED PROGRAMS

In accordance with the Office of Management and Budget Circular A-133, a schedule of expenditures of federal awards is presented.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SCHEDULE OF COMPENSATION PAID POLICE JURORS  
FOR THE YEAR ENDED DECEMBER 31, 2004

POLICE JURORS:

Albritton, Annette S.	\$	7,729
Allen, Eddie		7,745
Backus, Joe C.		7,729
Beard, Jack		3,088
Brown, Annie M.		10,500
Crawley, James		2,771
Dowling, Norman L.		2,771
Dowling, Robert		7,729
Fuller, Charles M.		3,500
Glover, Roy D.		7,000
Hammock, John		2,771
Hammons, Charles D.		10,500
Henderson, Joseph		10,500
Hughes, Willie B.		2,771
Huntington, Joyce		7,729
Knowles, James T.		7,729
Mays, Robert D.		8,529
Owens, Charles H.		10,500
Roberson, Randy		2,771
Savage, Walter J.		2,771
Total	\$	<u>127,133</u>

OTHER SUPPLEMENTAL INFORMATION –  
GRANT INFORMATION

**WILLIAM R. HULSEY**

A PROFESSIONAL ACCOUNTING CORPORATION  
2117 FORSYTHE AVENUE  
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MEMBER  
AMERICAN INSTITUTE OF  
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Lincoln Parish Police Jury  
Ruston, Louisiana

I have audited the primary government financial statements of the Lincoln Parish Police Jury as of and for the year ended December 31, 2004 and have issued my report thereon dated May 20, 2005. I conducted my 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 my audit, I considered the Lincoln Parish Police Jury's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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 caused by errors or fraud 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lincoln Parish Police Jury's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 04-1.

Lincoln Parish Police Jury  
Ruston, Louisiana  
Page 2

This report is intended solely for the information and use of the committee, the Legislative Auditor, the Lincoln Parish Police Jury and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

WILLIAM R. HULSEY  
Certified Public Accountant

  
May 20, 2005

**WILLIAM R. HULSEY**

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

Lincoln Parish Police Jury  
Ruston, Louisiana

**Compliance**

I have audited the compliance of Lincoln Parish Police Jury with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2004. Lincoln Parish Police Jury's major federal programs are identified in the accompanying Schedule of Expenditures of Federal Awards. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Lincoln Parish Police Jury's management. My responsibility is to express an opinion on the Lincoln Parish Police Jury's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lincoln Parish Police Jury's compliance with those requirements and performing such other procedures as I consider necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination in the Lincoln Parish Police Jury's compliance with those requirements.

In my opinion, the Lincoln Parish Police Jury complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2004.

**Internal Control Over Compliance**

The management of Lincoln Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Lincoln Parish Police Jury's internal control over compliance with requirements that could have a material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Lincoln Parish Police Jury  
Ruston, Louisiana  
Page 2

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. 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 noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of management, the Lincoln Parish Police Jury, the Louisiana Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

WILLIAM R. HULSEY  
Certified Public Accountant

  
May 20, 2005

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

**SUMMARY OF AUDIT RESULTS**

The following summarize the audit results in accordance with OMB Circular A-133:

1. An unqualified opinion was issued on the primary government financial statements of the Lincoln Parish Police Jury as of and for the year ended December 31, 2004.
2. The audit disclosed no reportable conditions in internal control.
3. The audit disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*.
4. The audit did not disclose reportable conditions in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. Audit findings that are required to be reported in accordance with Sections 510(a) of OMB Circular A-133 are reported in this schedule.
7. The following programs were major for the year ended December 31, 2004:
  - Low Income Housing Assistance Program (CFDA #14.871)
  - Community Development Block Grant (CFDA #14.228)
8. \$300,000 was the threshold used to distinguish Type A from Type B programs.
9. The Lincoln Parish Police Jury did not qualify as a low-risk auditee.

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

There were no current year findings in accordance with *Government Auditing Standards*.  
There were no prior year findings in accordance with *Government Auditing Standards*.

**FINDINGS – FINANCIAL STATEMENT AUDIT**

**04-1 Parks & Recreation Cash Receipts and Deposits**

Condition:

During the audit it was noted that the Ruston Police Department investigated and confirmed that an employee was lapping deposits from the Parks & Recreation cash and check collections.



LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2004

**FINDINGS – FINANCIAL STATEMENT AUDIT (Continued)**

**04-1 Parks & Recreation Cash Receipts and Deposits (Continued)**

Criteria:

The Parks & Recreation Department collects fees for using the various facilities under its purview. A representative from the Parks & Recreation Department brings the locked deposit bags to the Lincoln Parish Police Jury main office for the money to be counted and deposited. The employee was removing cash from the deposit and replacing it with checks from future deposits. In total, the employee misappropriated \$4,101 from the Parks & Recreation Department.

Effect:

Through the fraudulent actions of the employee, the Parks & Recreation Department was short on cash collections by \$4,101. The employee was ordered to and subsequently made restitution of the entire amount.

Recommendation:

The Lincoln Parish Police Jury needs to ensure the internal control over cash and deposits. All deposits should be brought to the Police Jury office in locked deposit bags with the only key being held at the Police Jury office. The representative from the Parks & Recreation Department and the Treasurer of the Police Jury should count the money in the deposit bags together. They should come to an agreement on the total and agree the total to the collection recap sheet provided by the Parks & Recreation Department from the original counting.

Response:

The Lincoln Parish Police Jury has now instituted controls over the cash receipts and deposits of the Parks & Recreation collections. The Lincoln Parish Police Jury will now have the treasurer and the representative from the Parks & Recreation Department count all deposits together and sign an agreement sheet as to the total checks and cash and agree it to the original collection recap provided by the Parks & Recreation Department.

There were no prior year findings in accordance with *Government Auditing Standards*.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
WITH ACCOMPANYING NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2004

<u>Source of Federal Assistance/ Agency Name (s)</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass- Through Number</u>	<u>Expenditures</u>
<b>United States Department of Housing and Urban Development:</b>			
Public Indian Housing HAP – Vouchers	14.871		\$ 620,038*
Through LA Division of Admn. Office Of Community Development			
LCDBG – Barker Subdivision Sewer	14.228	609398	746,579
LCDBG – N. Chatham Rd. Sewer	14.228	589558	<u>374,421</u>
			1,121,000*
Through LA Governor’s Office of Rural Development	14.246	0405-LNC-0001	19,433
<b>United States Department of Agriculture National Resources Conservation Service</b>			
Soil and Water Conservation Stormwater Conservation Management	10.902	68-7217-03-78	35,000
<b>United States Department of Homeland Security</b>			
State Domestic Preparedness Equipment Support Program - Phase I	97.004	I 2003-TE-TX-0163	_**
Phase II		II 2003-MU-T3-0022	259,609
Competitive Training Grant	97.068	LANG-OHSEP-P	6,000

\*Major Federal Financial Assistance Program

\*\*No funds are received or spent by Lincoln Parish Police Jury. The State pays for the equipment directly but the grant award is in the Lincoln Parish Policy Jury’s name.

See accompanying notes to Schedule of Expenditures of Federal Awards.

LINCOLN PARISH POLICE JURY  
RUSTON, LOUISIANA  
NOTES TO SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2004

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Lincoln Parish Police Jury. The Lincoln Parish Police Jury reporting entity is defined in Note 1 to the Lincoln Parish Police Jury's primary government financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Lincoln Parish Police Jury's primary government financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.