

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

Primary Government Financial Statements
For the Year Ended December 31, 2015

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
PRIMARY GOVERNMENT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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RUSTON, LOUISIANA
PRIMARY GOVERNMENT FINANCIAL STATEMENTS
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INDEPENDENT AUDITOR'S REPORT

To the Lincoln Parish Police Jury
Ruston, Louisiana

Report on the Financial Statements

We have audited the accompanying 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, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Lincoln Parish Police Jury's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Summary of Opinions

Opinion Unit

Type of Opinion

Governmental Activities	Unmodified
Governmental Fund – General Fund	Unmodified
Governmental Fund – Road Construction	Unmodified
Governmental Fund – Road Maintenance	Unmodified
Governmental Fund – Library	Unmodified
Governmental Fund – Solid Waste Disposal	Unmodified
Governmental Fund – Solid Waste Equipment Reserve	Unmodified
Governmental Fund –Hospital Proceeds	Unmodified
Aggregate Discretely Presented Component Units	Adverse
Aggregate Remaining Fund Information	Qualified

Lincoln Parish Police Jury

Ruston, Louisiana

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are understated by the amount of assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by the amount of assets, liabilities, fund balances, revenues, and expenditures of the omitted component units. The amounts by which this departure would affect the financial statements are not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Police Jury, as of December 31, 2015, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion

In our opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Police Jury as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Police Jury, as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 5-11), budgetary comparison information (pages 47-55), schedule of employer's proportionate share of net pension liability (page 55), and schedule of employer's contributions (page 55) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Lincoln Parish Police Jury

Ruston, Louisiana

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincoln Parish Police Jury's basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of compensation, benefits, reimbursements and other payments to or on behalf of the agency head 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 and the schedule of compensation, benefits, reimbursements and other payments to or on behalf of the agency head, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued our report dated June 25, 2016, on our consideration of the Lincoln Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lincoln Parish Police Jury's internal control over financial reporting and compliance.

WILLIAM R. HULSEY (APAC)
Certified Public Accountant

Monroe, Louisiana

June 25, 2016

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, 2015.

FINANCIAL HIGHLIGHTS

Our financial statements provide the following key financial highlights for the 2015 fiscal year:

- General Government Activities report total costs of \$16,459,295 and total revenues of \$18,335,199.
- Public Works accounted for the most significant portion of expenditures in General Government Activities.

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 Position presents information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net position. 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 position 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.

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

The Statement of Net Position 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-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 Position 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. 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 – Expenditures in this area include, but are not limited to, enhancements, renovations, and maintenance of the Lincoln Parish Park, the North Louisiana Exhibition Center, the Lincoln Parish Courthouse and the Bridge Replacement and Road Improvements Funds. Funding is provided through a variety of sources such as admission fees, usage fees, operating transfers from other funds and donations.

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.

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

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 position (Table 1) and changes in net position (Table 2) of the Police Jury's governmental and business-type activities on a comparative basis.

**Table 1
Net Position
December 31, 2015 and 2014**

	Governmental Activities 2015	Governmental Activities 2014
Current and other assets	\$43,309,110	\$40,438,786
Capital assets	22,658,045	22,960,409
Total assets	65,967,155	63,399,195
Current and other liabilities	3,261,563	2,463,033
Long-term liabilities	4,380,987	4,773,438
Total liabilities	7,642,550	7,236,471
Net Position		
Net investment in capital assets	19,669,045	22,960,409
Restricted	3,648,216	3,010,039
Unrestricted	35,268,439	30,192,276
Total net position	58,585,700	56,162,724

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

**Table 2
Changes in Net Position
For the Years Ended December 31, 2015 and 2014**

	Governmental Activities 2015	Governmental Activities 2014
Revenues		
Program Revenues		
Charges for services	\$1,149,944	\$1,129,233
Operating grants and contributions	1,448,792	1,049,012
Capital grants and contributions	-	321,472
General revenues		
Property taxes	7,264,787	7,067,277
Sales tax	5,863,352	4,507,092
Other taxes	176,621	277,798
Severance taxes	1,224,588	1,175,000
Intergovernmental revenues	-	494,886
Fire insurance rebate	212,343	185,230
Other revenues	102,589	18,223
Rents and royalties	691,764	205,034
Gain (loss) on disposal of assets	(95,202)	181,000
Interest earned	295,621	124,906
Total Revenues	18,335,199	16,736,163
Functions/Program Expenses		
Governmental Activities		
General and administrative	3,205,082	3,283,516
Public safety	533,303	325,673
Public works	8,925,162	8,054,433
Health and welfare	522,648	563,356
Culture and recreation	3,038,625	2,884,898
Economic development	57,692	24,798
Transportation	65,000	-
Debt service	111,783	127,851
Total Functions/Program Expenses	16,459,295	15,264,525
Transfers	-	(472,051)
Increase (decrease) in net position	1,875,904	999,587
Net position – beginning of year (*Restated)	56,709,796	55,163,137
Net position – ending of year	58,585,700	56,162,724

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

Governmental Activities

The cost of all governmental activities this year was \$16,459,295. As indicated in the Statement of Activities, the amount that our taxpayers financed for these activities through property, sales taxes and other taxes was \$13,304,760 with an additional \$1,224,588 from severance taxes. The rest of these costs were 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 Police Jury's governmental activities as well as each program's cost for the last two years.

**Table 3
Governmental Activities
For the Years Ended December 31, 2015 and 2014**

	Total Cost Of Services 2015	Total Cost Of Services 2014
Governmental Activities		
General government	\$3,205,082	\$3,283,516
Public safety	533,303	325,673
Public works	8,925,162	8,054,433
Health and welfare	522,648	563,356
Culture and recreation	3,038,625	2,884,898
Economic development	57,692	24,798
Interest on long-term debt	111,783	127,851
Transportation	65,000	-
Total Functions/Program Expenses	16,459,295	15,264,525

The Police Jury's Funds

As the Police Jury completed the year, its governmental funds reported a combined net position balance of \$40,683,597 indicating an increase of \$2,160,129 when compared to the beginning net position.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The excess of revenue over expenditures in the General Fund was \$938,342. This enabled the Jury to transfer additional funds to a capital fund for renovations and maintenance of parish buildings. Severance taxes exceeded one million dollars for the seventh year in a row.

In the general fund, actual revenues exceeded budgeted revenues by \$270,030 and actual expenditures were less than budgeted expenditures by \$15,758.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Police Jury had invested in the following capital assets (net of depreciation) at the end of fiscal years 2015 and 2014:

	Governmental Activities 2015	Governmental Activities 2014
Land	\$1,612,186	\$1,612,186
Buildings	5,565,223	5,777,887
Building improvements	5,302,193	5,669,540
Machinery and equipment	1,999,971	1,533,789
Furniture and fixtures	234,473	264,841
Vehicles	685,938	568,052
Non-depreciable improvements	67,100	67,100
Construction in progress	-	-
Infrastructure	7,190,961	7,467,014
Totals	\$22,658,045	\$22,960,409

Debt Administration

The Lincoln Parish Police Jury had \$2,989,000 in long-term debt instruments at year-end compared to \$3,476,000 in the prior year.

	<u>2015</u>	<u>2014</u>
Library Bonds payable	\$ 2,289,000	\$ 2,621,000
Certificates of Indebtedness	\$ 700,000	\$ 855,000
Total	\$2,989,000	\$3,476,000

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

Certificates of indebtedness were issued in 2009 for the acquisition of the Old County Market building in the amount of \$1,500,000 at a rate of 4.35%. The building is adjacent to the Lincoln Parish Courthouse on Arizona Street. The 2001 Library Renovation bonds were reissued in 2011 in the amount of \$3,577,000 and are to be repaid by March 2021 by Ad Valorem taxes with the first interest only payment due March 1, 2011.

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

OTHER POST-EMPLOYMENT BENEFITS

In the year ended December 31, 2015, the Lincoln Parish Police Jury has complied with requirements of Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions*. This statement requires that employers disclose the *Annual Required Contribution* and *Net Post-employment Benefit Obligation* as determined by actuarial computations. The disclosure of these amounts is presented in more detail in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The primary funding source for the General Fund of the parish is taxation. Approximately 72.4% of revenue is provided by Ad Valorem and Sales Tax. The elected and appointed officials consider many factors when developing the parish's budget and authorizing millage rates. Input by the citizens of the parish is a vital part of this consideration. Severance taxes are difficult to project but there is pending legislation that could possibly increase the amount received without any cost to the citizens of the parish. Sales tax revenues showed a continued increase in 2015, however, 2016 should show tax revenues revert back to 2013 levels due to less oil and gas activity. The Lincoln Parish Police Jury will continue to strive for optimum use of parish resources.

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 Courtney Hall 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

GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2015

ASSETS

Cash and cash equivalents	\$ 12,183,072
Investments	22,135,974
Receivables	8,644,696
Due from other governments	333,786
Inventory	11,582
Capital assets, net of accumulated depreciation	22,658,045
TOTAL ASSETS	65,967,155

DEFERRED OUTFLOWS

Pension related	333,795
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LIABILITIES

Accounts payable	1,687,700
Salaries and related payables	134,316
Due to other agencies	803,497
Compensated absences due within one year	128,050
Bonds payable due within one year	508,000
Bonds payable due in more than one	2,481,000
Net OPEB obligation	1,738,938
Net pension liability	161,049
TOTAL LIABILITIES	7,642,550

DEFERRED INFLOWS

Pension related	72,700
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NET POSITION

Net investment in capital assets	19,669,045
Restricted net position	3,648,216
Unrestricted net position	35,268,439
TOTAL NET POSITION	\$ 58,585,700

The accompanying notes are an integral part of these financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 3,205,082	\$ 147,875	\$ 152,690	\$ -	\$ (2,904,517)
Public safety	533,303	426,357	33,312	-	(73,634)
Public works	8,925,162	332,325	760,659	-	(7,832,178)
Health and welfare	522,648	-	455,755	-	(66,893)
Culture and recreation	3,038,625	243,387	46,376	-	(2,748,862)
Economic development and assistance	57,692	-	-	-	(57,692)
Transportation	65,000	-	-	-	(65,000)
Interest expense	111,783	-	-	-	(111,783)
Total governmental activities	<u>\$ 16,459,295</u>	<u>\$ 1,149,944</u>	<u>\$ 1,448,792</u>	<u>\$ -</u>	<u>(13,860,559)</u>

General revenues:

Property taxes levied for:	
General purposes	1,226,525
Public works	3,574,496
Health and welfare	-
Culture and recreation	2,463,766
Sales and use taxes	5,863,352
Other taxes, penalties and interest	176,621
Severance taxes	1,224,588
Grants and contributions not restricted to specific programs	-
Fire insurance rebate	212,343
Donations	1,275
Other revenues	101,314
Rents and royalties	691,764
Gain (loss) on disposal of assets	(95,202)
Interest earned	295,621
Total general revenues	<u>15,736,463</u>
Change in net position	<u>1,875,904</u>
Net position at beginning of year, restated	56,709,796
Net position at end of year	<u>\$ 58,585,700</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2015

	GENERAL FUND	ROAD CONSTRUCTION FUND	ROAD MAINTENANCE FUND	LIBRARY FUND
ASSETS				
Cash and cash equivalents	\$ 1,513,461	\$ 2,226,051	\$ 1,898,122	\$ 276,750
Investments	2,075,344	544,826	1,025,040	2,446,566
Receivables	1,279,234	1,792,774	1,789,202	1,977,024
Due from other funds	491,604	4,714	4,709	-
Due from other governments	297,704	191	34	-
Inventory	-	11,582	-	-
Total assets	\$ 5,657,347	\$ 4,580,138	\$ 4,717,107	\$ 4,700,340
LIABILITIES AND FUND EQUITY				
Liabilities:				
Cash overdraft	\$ -	\$ -	\$ -	\$ -
Accounts payable	174,453	64,976	460,208	105,632
Salaries and related payables	134,316	-	-	-
Due to other agencies	520,475	-	-	-
Due to other funds	1,115,881	-	-	-
Total liabilities	1,945,125	64,976	460,208	105,632
Fund equity - fund balances:				
Nonspendable	-	11,582	-	-
Restricted	-	-	-	-
Assigned	-	4,503,580	4,256,899	4,594,708
Unassigned	3,712,222	-	-	-
Total fund equity - fund balances	3,712,222	4,515,162	4,256,899	4,594,708
Total liabilities and fund equity	\$ 5,657,347	\$ 4,580,138	\$ 4,717,107	\$ 4,700,340

The accompanying notes are an integral part of these financial statements.

	SOLID WASTE DISPOSAL FUND	SOLID WASTE DISPOSAL EQUIPMENT RESERVE FUND	HOSPITAL PROCEEDS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and cash equivalents	\$ -	\$ 129,057	\$ 450,805	\$ 6,183,346	\$ 12,677,592
Investments	-	3,007,391	9,966,830	3,069,977	22,135,974
Receivables	983,413	1,932	-	821,117	8,644,696
Due from other funds	4,327	-	-	1,541,553	2,046,907
Due from other governments	-	-	-	35,857	333,786
Inventory	-	-	-	-	11,582
Total assets	<u>\$ 987,740</u>	<u>\$ 3,138,380</u>	<u>\$ 10,417,635</u>	<u>\$ 11,651,850</u>	<u>\$ 45,850,537</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Cash overdraft	\$ 328,053	\$ -	\$ -	\$ 166,467	\$ 494,520
Accounts payable	673,802	-	2,500	206,129	1,687,700
Salaries and related payables	-	-	-	-	134,316
Due to other agencies	-	-	-	283,022	803,497
Due to other funds	-	336,880	417,635	176,511	2,046,907
Total liabilities	<u>1,001,855</u>	<u>336,880</u>	<u>420,135</u>	<u>832,129</u>	<u>5,166,940</u>
Fund equity - fund balances:					
Nonspendable	-	-	-	-	11,582
Restricted	-	-	-	540,866	540,866
Assigned	-	2,801,500	9,997,500	10,278,855	36,433,042
Unassigned	(14,115)	-	-	-	3,698,107
Total fund equity - fund balances	<u>(14,115)</u>	<u>2,801,500</u>	<u>9,997,500</u>	<u>10,819,721</u>	<u>40,683,597</u>
Total liabilities and fund equity	<u>\$ 987,740</u>	<u>\$ 3,138,380</u>	<u>\$ 10,417,635</u>	<u>\$ 11,651,850</u>	<u>\$ 45,850,537</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET TO THE
STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2015

Total fund balances - governmental funds	\$ 40,683,597
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources	22,658,045
Pension related items are not reported in the fund statements:	
Deferred outflows	333,795
Deferred inflows	(72,700)
Net pension liability	(161,049)
Long-term obligations are not due and payable in the current period and therefore are not reported in the fund statements.	
Compensated absences payable	(128,050)
Bonds payable	(2,989,000)
Net OPEB obligation	(1,738,938)
Net assets of governmental activities	<u>\$ 58,585,700</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	GENERAL FUND	ROAD CONSTRUCTION FUND	ROAD MAINTENANCE FUND	LIBRARY FUND	SOLID WASTE DISPOSAL FUND
Revenues					
Taxes					
Ad valorem	\$ 1,226,525	\$ 1,793,028	\$ 1,781,468	\$ 2,045,499	\$ -
Sales and use	-	-	-	-	5,863,352
Other taxes, penalties, and interest	6,922	-	-	-	-
Licenses and permits	126,132	-	-	-	-
Intergovernmental funds					
Federal funds	4,293	-	-	-	-
State funds	1,224,588	-	-	-	-
Severance taxes	84,793	125,652	125,652	46,376	-
State revenue sharing	212,343	-	-	-	-
Fire insurance rebate	63,604	-	-	-	-
Other state funds	-	-	-	-	-
Local funds	-	-	-	-	-
Fees, charges and commissions for services	21,743	-	-	34,574	243,877
Fines and forfeitures	-	-	-	45,944	-
Use of money and property	192,168	10,618	12,994	47,551	-
Other revenues	32,777	-	-	-	20,584
Donations	-	-	-	1,275	-
Total revenues	<u>3,195,888</u>	<u>1,929,298</u>	<u>1,920,114</u>	<u>2,221,219</u>	<u>6,127,813</u>
Expenditures					
Current					
General government					
Legislative	154,868	-	-	-	-
Judicial	282,356	-	-	-	-
Elections	29,034	-	-	-	-
Finance and administrative	638,195	-	-	-	-
Other general government	568,436	-	-	-	-
Public safety	517,596	-	-	-	-
Public works	-	1,428,093	1,541,279	-	4,453,641
Health and welfare	6,839	-	-	-	-
Culture and recreation	2,530	-	-	2,195,415	-
Economic development and assistance	57,692	-	-	-	-
Transportation	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	306,887
Total expenditures	<u>2,257,546</u>	<u>1,428,093</u>	<u>1,541,279</u>	<u>2,195,415</u>	<u>4,760,528</u>
Excess (deficiency) of revenues over expenditures	<u>938,342</u>	<u>501,205</u>	<u>378,835</u>	<u>25,804</u>	<u>1,367,285</u>
Other sources (uses)					
Operating transfers in	-	-	-	-	-
Operating transfers out	(652,554)	-	-	-	(1,432,156)
Total other sources (uses)	<u>(652,554)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,432,156)</u>
Net change in fund balances	<u>285,788</u>	<u>501,205</u>	<u>378,835</u>	<u>25,804</u>	<u>(64,871)</u>
Fund balances (deficit) at beginning of year	<u>3,426,434</u>	<u>4,013,957</u>	<u>3,878,064</u>	<u>4,568,904</u>	<u>50,756</u>
Fund balances (deficit) at end of year	<u>\$ 3,712,222</u>	<u>\$ 4,515,162</u>	<u>\$ 4,256,899</u>	<u>\$ 4,594,708</u>	<u>\$ (14,115)</u>

The accompanying notes are an integral part of these financial statements.

	SOLID WASTE DISPOSAL			
	EQUIPMENT RESERVE FUND	HOSPITAL PROCEEDS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues				
Taxes				
Ad valorem	\$ -	\$ -	\$ 418,267	\$ 7,264,787
Sales and use	-	-	-	5,863,352
Other taxes, penalties and interest	-	-	169,699	176,621
Licenses and permits	-	-	-	126,132
Intergovernmental funds				
Federal funds	-	-	455,755	460,048
State funds	-	-	-	1,224,588
Severance taxes	-	-	-	382,473
State revenue sharing	-	-	-	212,343
Fire insurance rebate	-	-	-	572,959
Other state funds	-	-	509,355	38,313
Local funds	-	-	38,313	-
Fees, charges and commissions				
for services	-	-	318,268	618,462
Fines and forfeitures	-	-	359,362	405,306
Use of money and property	51,066	109,189	564,065	987,651
Other revenues	-	-	912	54,273
Donations	-	-	-	1,275
Total revenues	<u>51,066</u>	<u>109,189</u>	<u>2,833,996</u>	<u>18,388,583</u>
Expenditures				
Current				
General government				
Legislative	-	-	-	154,868
Judicial	-	-	440,515	722,871
Elections	-	-	-	29,034
Finance and administrative	-	-	-	638,195
Other general government	-	-	147,621	716,057
Public safety	-	-	-	517,596
Public works	-	-	1,202,338	8,625,351
Health and welfare	-	44,071	471,960	522,870
Culture and recreation	-	-	531,924	2,729,869
Economic development and assistance	-	-	-	57,692
Transportation	-	-	65,000	65,000
Debt service	-	-	598,783	598,783
Capital outlay	336,880	-	206,501	850,268
Total expenditures	<u>336,880</u>	<u>44,071</u>	<u>3,664,642</u>	<u>16,228,454</u>
Excess (deficiency) of revenues over expenditures	<u>(285,814)</u>	<u>65,118</u>	<u>(830,646)</u>	<u>2,160,129</u>
Other sources (uses)				
Operating transfers in	-	-	2,152,328	2,152,328
Operating transfers out	-	(67,618)	-	(2,152,328)
Total other sources (uses)	<u>-</u>	<u>(67,618)</u>	<u>2,152,328</u>	<u>-</u>
Net change in fund balances	(285,814)	(2,500)	1,321,682	2,160,129
Fund balances (deficit) at beginning of year	<u>3,087,314</u>	<u>10,000,000</u>	<u>9,498,039</u>	<u>38,523,468</u>
Fund balances (deficit) at end of year	<u>\$ 2,801,500</u>	<u>\$ 9,997,500</u>	<u>\$ 10,819,721</u>	<u>\$ 40,683,597</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

Net change in fund balances - total governmental funds	\$ 2,160,129
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlays	1,057,622
Depreciation	(1,264,784)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets.</p>	
	(95,202)
<p>Governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position.</p>	
	487,000
<p>Some items reported in the statement of activities, such as a net decrease or increase in compensated absences, do not require the use of current financial resources, nor do they provide any, and therefore are not reported as expenditures or revenues in the governmental funds.</p>	
	(20,680)
<p>Payments of long-term debt, including contributions to the OPEB obligation, are reported as expenditures in governmental funds. However, these amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.</p>	
	(61,870)
Changes in the net pension liability are not reported in the governmental fund	(386,311)
Change in net position of governmental activities	<u>\$ 1,875,904</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

FIDUCIARY FUNDS
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2015

ASSETS

Cash and cash equivalents \$ 104,780

LIABILITIES

Held in trust for deferred compensation benefit \$ 104,780

The accompanying notes are an integral part of these financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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 2016.

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

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

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

The GASB has set forth criteria to 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 Foundation	1&2
Northern Louisiana Medical Center	1&2
Fire Protection District No. 1 of Lincoln Parish	1&2
Ruston-Lincoln 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
Lincoln Parish Geographic Information System	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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

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). 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.

Principal 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, 2015 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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Governmental Funds

Governmental funds account for the Police Jury's general governmental activities including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the Governmental funds that do not meet the dollar tests for major funds. Governmental funds include:

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

Investments

Under state law, the Police Jury may invest in United States treasury notes or certificates. These funds are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. In accordance with the provisions of GASB Statement 31, investments are carried at fair market value or amortized cost, as further discussed in Notes 2 and 3.

Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity (Continued)

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the police jurors – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the police jurors remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the Police Jury’s “intent” to be used for specific purposes, but are neither restricted nor committed. The police jurors and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

The Police Jury has not established a formal policy regarding order of spending fund balances that are restricted, committed or assigned. The Police Jury’s informal policy for the spending prioritization of fund balances is that restricted would receive top priority, followed by committed. Assigned would receive the least priority and would be authorized to be spent if adequate funds were available. If expenditures incurred exceed the amounts that have been committed or assigned to the specific purpose, amounts assigned or committed would be reduced to eliminate the deficit.

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 position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets of the Jury are stated at cost and are reported in the government-wide financial statements. Depreciation of all exhaustible capital assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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 of sick leave each year depending on years of service with the Police Jury for a total of not more than 120 days. If the total amount of unused vacation time reaches a "ceiling" equal to two times the annual vacation balance, the excess will be credited to sick leave. Upon termination of employment, employees will be paid for unused vacation time that they are eligible for according to the policy. 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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 CASH EQUIVALENTS

Custodial Credit Risk – Deposits. The custodial credit risk is the risk that in the event of a bank failure, the Police Jury’s deposits may not be returned to it. The Police Jury’s policy to ensure there is no exposure to this risk is to require each financial institution to pledge its’ own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Police Jury had no custodial credit risk related to its deposits at December 31, 2015. The Police Jury had cash and cash equivalents in demand deposits and time deposits, totaling \$12,227,592 and \$450,000, respectively, at December 31, 2015.

These deposits are stated at cost, which approximates market. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at December 31, 2015, are secured, as follows:

Bank Balances	\$ <u>13,039,622</u>
FDIC Insurance	1,210,881
Pledged Securities (uncollateralized)	<u>11,828,741</u>
Total	\$ <u>13,039,622</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 3 - INVESTMENTS

Custodial Credit Risk – Investments. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Police Jury’s investments in United States government securities are held by the Police Jury’s agent in the Police Jury’s name. Therefore, the Police Jury had no custodial credit risk related to its investments at December 31, 2015.

Under state law, the Police Jury may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2015, the Police Jury had the following investments stated at cost, which approximates market:

Government Agency Bonds	\$ 20,958,340
Cash or Money Market Accounts	<u>1,177,634</u>
Total	<u>\$ 22,135,974</u>

Interest Rate Risk. In accordance with its investments policy, the Police Jury manages its exposure to declines in fair market values by limiting investment portfolios to money market investments, which are defined as creditworthy, highly liquid investments with maturities of one year or less. Although there may be certain circumstances in which longer-term securities are utilized, the general use of long-term securities shall be avoided.

Credit Risk. The Police Jury’s investment policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies.

Concentration of Credit Risk. The Police Jury’s investment policy limits the Police Jury’s investment instruments to: 1) certificates of deposit; 2) certain direct obligations of the U.S. Government; 3) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America; and 4) the Louisiana Asset Management Pool.

NOTE 4 – RECEIVABLES

The receivables of \$8,644,696 on December 31, 2015, are detailed as follows:

<u>Class of</u> <u>Receivables</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Capital</u> <u>Project</u> <u>Funds</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u>
Taxes:					
Ad valorem	\$ 1,156,445	\$ 5,404,387	\$ -	\$ 422,953	\$ 6,983,785
Other	52,501	615,076	-	-	667,577
State revenue sharing	63,485	222,729	-	-	286,214
State reimbursements	1,056	83,007	-	-	84,063
Other	<u>5,747</u>	<u>596,685</u>	<u>20,625</u>	-	<u>524,053</u>
Totals	<u>\$ 1,279,234</u>	<u>\$ 6,921,884</u>	<u>\$ 20,625</u>	<u>\$ 422,953</u>	<u>\$ 8,644,696</u>

LINCOLN PARISH POLICE JURY
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NOTE 4 – RECEIVABLES (continued)

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 5 – PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2015, is as follows:

	2014			2015
	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u>
Non-Depreciable Assets:				
Land	\$ 1,679,286	\$ -	\$ -	\$ 1,679,286
Infrastructure -CIP	-	-	-	-
Improvements	-	-	-	-
Total	<u>1,679,286</u>	<u>-</u>	<u>-</u>	<u>1,679,286</u>
Depreciable Assets:				
Buildings	10,792,475	-	-	10,792,475
Infrastructure	26,278,488	23,756	-	26,302,244
Improvements	9,586,703	30,576	38,993	9,578,286
Vehicles	1,620,054	252,982	56,209	1,816,827
Furniture & Fixtures	1,377,254	2,911	-	1,380,165
Machinery & Equipment	<u>4,268,749</u>	<u>747,397</u>	-	<u>5,016,146</u>
Total	<u>53,923,723</u>	<u>1,057,622</u>	<u>(95,202)</u>	<u>54,886,143</u>
Less: Accumulated Depreciation:				
Buildings	(5,014,588)	(212,664)	-	(5,227,252)
Infrastructure	(18,811,474)	(299,809)	-	(19,111,283)
Improvements	(3,917,163)	(358,930)	-	(4,276,093)
Vehicles	(1,052,002)	(78,887)	-	(1,130,889)
Furniture & Fixtures	(1,112,413)	(33,279)	-	(1,145,692)
Machinery & Equipment	<u>(2,734,960)</u>	<u>(281,215)</u>	-	<u>(3,016,175)</u>
Total	<u>(32,642,600)</u>	<u>(1,264,784)</u>	<u>-</u>	<u>(33,907,384)</u>
Capital Assets, Net	<u>\$ 22,960,409</u>	<u>\$ (207,162)</u>	<u>\$ (95,202)</u>	<u>\$ 22,658,045</u>

Depreciation expense charged for \$1,264,784 is as follows:

General Government	\$ 663,724
Public Safety	15,707
Public Works	276,601
Health & Welfare	-
Economic Development	-
Culture and Recreation	<u>308,752</u>
Total	<u>\$ 1,264,784</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
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NOTE 6 – RETIREMENT SYSTEM

Parochial Employees' Retirement System of Louisiana (System)

Plan Description

The Lincoln Parish Police Jury contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

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.

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 25 years of creditable service.
3. Age 60 after 10 years of creditable service.
4. Age 65 after seven years creditable service.

Eligibility for retirement for Plan A members hired on or after January 1, 2007 is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after seven years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the employee's final compensation multiplied by his or her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2015, the Lincoln Parish Police Jury's total payroll for all employees was \$3,468,563. Total covered payroll was \$3,139,067. Covered payroll refers to all compensation paid by the Lincoln Parish Police Jury to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org.

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2015, the actual employer contribution rate was 14.50% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 6 – RETIREMENT SYSTEM (continued)

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee’s wages or salary and remitted by the Lincoln Parish Police Jury to the System monthly. The Lincoln Parish Police Jury’s contributions to the System under Plan A for the year ending December 31, 2015 were \$452,673.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Employer reported a liability of \$161,049 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2014 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Lincoln Parish Police Jury’s proportion of the Net Pension Liability was based on a projection of the Police Jury’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2014, the Police Jury’s proportion was 0.589037%, which was a decrease of 0.020780% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the Lincoln Parish Police Jury recognized pension expense of \$428,542 plus employer’s amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$197). Total pension expense for the Lincoln Parish Police Jury for the year ended December 31, 2015 was \$428,345.

At December 31, 2015, the Lincoln Parish Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning Balance	\$-	\$-
Change in System deferred outflows and inflows of resources	334,385	72,700
Changes in proportionate share	(1,108)	-
Differences between employer contributions and proportionate share of employer contributions	518	-
Contributions after the measurement period	-	-
Total	333,795	72,700

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2016	\$65,274
2017	65,274
2018	65,274
2019	65,274

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 6 – RETIREMENT SYSTEM (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2014, are as follows:

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.25% (net of investment expense)
Salary increases	5.75% (2.75% merit, 3.0% inflation)
Mortality rates	RP-2000 Employee Mortality Table for active members RP-2000 Healthy Annuitant Mortality Table for healthy annuitants and beneficiaries RP-2000 Disabled Lives Mortality Tables for disabled annuitants
Expected remaining service lives	4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	34%	1.30%
Equity	51%	3.55%
Alternatives	12%	0.77%
Real Assets	3%	0.19%
Totals	<u>100%</u>	<u>5.81%</u>
Inflation		<u>2.30%</u>
Expected arithmetic nominal return		<u><u>8.11%</u></u>

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 6 – RETIREMENT SYSTEM (continued)

Sensitivity of the Lincoln Parish Police Jury’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Lincoln Parish Police Jury’s proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Police Jury’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Employer’s proportionate share of net pension liability	\$2,328,179	\$161,049	(\$1,675,143)

Payables to the Pension Plan

These financial statements do not include a payable to the pension plan.

Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued Parochial Employees’ Retirement System of Louisiana Audit Report at www.persla.org.

NOTE 7 – LEASES

Operating Leases (Lessee). The Lincoln Parish Police Jury leases space under noncancelable operating leases in the building the Police Jury purchased in September 2009. Total income for such leases were \$213,893 for the year ended December 31, 2015. Future minimum lease payments for these leases are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>LPPJ Complex</u> <u>Lease</u>
2016	\$137,608
2017	137,608
2018	137,608
2019	<u>137,608</u>
Total	<u>\$ 688,040</u>

LINCOLN PARISH POLICE JURY
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NOTES TO FINANCIAL STATEMENTS
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NOTE 8 – DUE TO/FROM OTHER FUNDS

Individual fund balances due to/from other funds at December 31, 2015, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 491,604	\$ 1,115,881
Special Revenue Funds:		
Road Construction Fund	4,714	-
Road Maintenance Fund	4,709	-
Solid Waste Disposal Fund	4,327	-
Solid Waste Disposal Equipment Reserve Fund	-	336,880
Hospital Proceeds Fund	-	417,635
Non-Major Funds:		
Special Revenue Funds	82,429	147,053
Capital Projects Funds	<u>1,459,124</u>	<u>29,458</u>
Totals	<u>\$ 2,046,907</u>	<u>\$ 2,046,907</u>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

NOTE 9 – 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, 2015:

Balance at January 1, 2015	\$ 150
Court costs collected	14,033
Interest	-
Witness fees paid	<u>(1,928)</u>
Balance at December 31, 2015	<u>\$ 12,255</u>

NOTE 10 – 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, 2015.

LINCOLN PARISH POLICE JURY
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FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 10 – DESIGNATED FUND BALANCE – EQUIPMENT REPLACEMENT (continued)

	<u>Collection Equipment</u>	<u>Disposal Equipment</u>	<u>Total</u>
Balance at January 1, 2015	\$ 3,106,306	\$ 3,087,314	\$ 6,193,620
Transfers in (out)	-	-	-
Sale of assets	-	-	-
Other revenues	22,430	51,066	73,282
Equipment replacement costs	-	(336,880)	(336,880)
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31, 2015	<u>\$ 3,128,736</u>	<u>\$ 2,801,500</u>	<u>\$ 5,930,022</u>

The total Solid Waste Equipment Reserve as of December 31, 2015, is as follows:

Solid Waste Equipment Reserve	\$ 5,930,022
Sewer Fund Equipment Replacement	<u>108,807</u>
Total Fund Equity Designated for Equipment Replacement	<u>\$ 6,038,829</u>

NOTE 11 – 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. During the year ended December 31, 2015, \$0 was to be transferred.

NOTE 12 – 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 13 – TAXES

Property taxes are due as of December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. An enforceable lien attaches to the property with unpaid taxes and is sold at a tax sale.

Property Tax Calendar

Assessment Date	January 1, 2015
Levy Date	November 8, 2015
Tax Bills Mailed	November 15, 2015
Total Taxes Are Due	December 31, 2015
Penalties and Interest are Added	January 1, 2016
Tax Sales – 2015 Delinquent Property	May 20-22, 2016

LINCOLN PARISH POLICE JURY
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 13 – TAXES (continued)

	<u>Authorized</u> <u>Millage</u>	<u>Levied</u> <u>Millage</u>
Parish Taxes:		
General Fund inside Ruston	1.82	1.82
General Fund outside Ruston	3.65	3.65
Road Maintenance	4.41	4.41
Construction Improvement	4.41	4.41
Library Operation	4.99	4.99
Library Bond Fund	1.10	1.10

NOTE 14 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2015, the following governmental funds had unfavorable variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances</u> <u>(Unfavorable)</u>
Hospital Proceeds Fund			
Revenues and other sources	\$ 122,500	\$ 109,189	\$ (13,311)

NOTE 15 – 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. In accordance with the provisions of GASB Statements No. 32 and No. 34, plan balances and activities are not reflected in the financial statements of the Lincoln Parish Police Jury or its political subdivisions.

NOTE 16 – POST-EMPLOYMENT BENEFITS

Plan Description – The Lincoln Parish Police Jury’s medical benefits are provided through a self-insured medical plan and are made available to employees upon actual retirement.

The employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service.

For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

LINCOLN PARISH POLICE JURY
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NOTE 16 – POST-EMPLOYMENT BENEFITS (continued)

Dental insurance coverage is provided to retirees. The employer pays 90 to 95% of the cost of the dental insurance (depending on the plan) for the retiree and 50% for dependents. We have used the unblended rates provided and included the actuarial cost and liability in the valuation of the medical benefits. All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption; zero trend was used for dental insurance.

Life insurance coverage is available to retirees based on blended rate (active and retired). The employer pays 100% of the cost of the retiree life insurance, but it is based on this blended rate. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Retiree insurance coverage amounts are reduced to 50% of the original level before retirement.

Contribution Rates – Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy – Until 2008, the Lincoln Parish Police Jury recognized the cost of providing post-employment medical and life insurance benefits (the Lincoln Parish Police Jury’s portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2015 and 2014, the Lincoln Parish Police Jury’s portion of health care and life insurance funding cost for retired employees totaled \$333,643 and \$308,929, respectively.

Effective January 1, 2008, the Lincoln Parish Police Jury implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB Codification Section). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The Lincoln Parish Police Jury’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	<u>2015</u>	<u>2014</u>
Normal cost	\$ 122,302	\$ 117,598
30-year UAL amortization amount	303,113	291,455
Annual required contribution (ARC)	<u>\$ 425,415</u>	<u>\$ 409,053</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
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NOTE 16 – POST-EMPLOYMENT BENEFITS (continued)

Net Post-employment Benefit Obligation (Asset) – The table below shows the Lincoln Parish Police Jury’s Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending December 31:

	<u>2015</u>	<u>2014</u>
Beginning Net OPEB Obligation	\$ 1,677,068	\$ 1,605,571
Annual required contribution	425,415	409,053
Interest on Net OPEB Obligation	67,083	64,223
ARC Adjustment	<u>(96,985)</u>	<u>(92,850)</u>
OPEB Cost	395,513	380,426
Contribution to Irrevocable Trust	-	-
Current year retiree premium	<u>(333,643)</u>	<u>(308,929)</u>
Change in Net OPEB Obligation	61,870	71,497
Ending Net OPEB Obligation	\$ <u>1,738,937</u>	\$ <u>1,677,068</u>

The following table shows the Lincoln Parish Police Jury’s annual post-employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post-employment benefits (PEB) liability for last year and this year:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2015	\$ 395,513	84.36%	\$ 1,738,937
December 31, 2014	\$ 380,426	81.21%	\$ 1,677,068

Funded Status and Funding Progress – In 2015 and 2014, the Lincoln Parish Police Jury made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2014 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2015 was \$5,451,154 which is defined as that portion, as determined by a particular actuarial cost method (the Lincoln Parish Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

NOTE 16 – POST-EMPLOYMENT BENEFITS (continued)

	<u>2015</u>	<u>2014</u>
Actuarial Accrued Liability (AAL)	\$ 5,451,154	\$ 5,241,494
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ <u>5,451,154</u>	\$ <u>5,241,494</u>
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 3,797,903	\$ 3,698,421
UAAL as a percentage of covered payroll	143.53%	141.72%

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NOTE 16 – POST-EMPLOYMENT BENEFITS (continued)

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Lincoln Parish Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Lincoln Parish Police Jury and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Lincoln Parish Police Jury and plan members in the future.

Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method – The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 5%.

Post-employment Benefit Plan Eligibility Requirements – Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., as described above under "Plan Description". Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 16 – POST-EMPLOYMENT BENEFITS (continued)

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 90 to 95% of the cost of the medical insurance (depending on the plan) for the retiree and 50% for dependents.

Medical and dental coverage ceases at age 65 (Medicare eligibility) for all retirees who retired on and after January 1, 2008. The rates provided are "unblended" rates as required by GASB Codification Section P50.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

OPEB Costs and Contributions

	FY 2013		FY 2014		FY 2015
OPEB Cost	\$ 287,462	\$	380,426	\$	395,513
Contribution	0		0		0
Retiree premium	296,960		308,929		333,643
Total contribution and premium	<u>296,960</u>		<u>308,929</u>		<u>333,643</u>
Change in net OPEB obligation	\$ <u>-9,498</u>	\$	<u>71,497</u>	\$	<u>61,870</u>
% of contribution to cost	0.00%		0.00%		0.00%
% of contribution plus premium to cost	103.30%		81.21%		84.36%

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 17 – BONDS PAYABLE

Certificates of indebtedness were issued in the amount of \$1,500,000 on September 16, 2009 for the purpose of acquiring the Old County Market Building and paying the costs incurred in connection with the issuance of the Certificates. The bonds carry a net interest rate of 4.35%. On March 1, 2001, General obligation bonds were issued in the amount of \$5,300,000 for the purpose of library renovations. These bonds were reissued in 2011 in the amount of \$3,577,000 and are to be repaid by March 2021 by Ad Valorem taxes with the first interest only payment due March 1, 2011. Principal payments commenced on March 1, 2011. The bonds carry a net interest rate of 3.02%. 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>
Government Activities:					
Bonds Payable:					
General Obligation Refunding Bond, Series 2011	\$ 2,621,000	\$ -	\$ 332,000	\$ 2,289,000	\$ 348,000
Certificates of Indebtedness, Series 2009	855,000	-	155,000	700,000	160,000
Accrued Vacation Leave	<u>107,370</u>	<u>20,680</u>	<u>-</u>	<u>128,050</u>	<u>128,050</u>
Total Governmental Activities					
Long-Term Debt	<u>\$ 3,583,370</u>	<u>\$ 20,680</u>	<u>\$ 487,000</u>	<u>\$ 3,117,050</u>	<u>\$ 636,050</u>

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

Year Ended December 31,	<u>Certificates of Indebtedness Series 2011</u>		<u>Certificates of Indebtedness Series 2009</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	348,000	63,873	160,000	30,450
2017	358,000	53,212	170,000	23,490
2018	372,000	42,189	180,000	16,095
2019	386,000	30,743	190,000	8,265
2020	404,000	18,815	-	-
2021	<u>421,000</u>	<u>6,357</u>	<u>-</u>	<u>-</u>
Total	<u>\$2,289,000</u>	<u>\$ 215,189</u>	<u>\$ 700,000</u>	<u>\$ 78,300</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 leave time will be liquidated primarily to the General Fund. Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

NOTE 18 – INTERFUND OPERATING TRANSFERS IN AND OUT

<u>Fund</u>	<u>Operating Transfers</u>	
	<u>In</u>	<u>Out</u>
Major Funds:		
General Fund	\$ -	\$ 652,554
Special Revenue Funds:		
Solid Waste Disposal Fund	-	1,432,156
Hospital Proceeds Fund	-	67,618
Non-Major Funds:		
Special Revenue Funds	1,450,656	-
Capital Projects Funds	<u>701,672</u>	<u>-</u>
Totals	<u>\$ 2,152,328</u>	<u>\$ 2,152,328</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 19 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 25, 2016, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

NOTE 20 – PRIOR PERIOD ADJUSTMENTS

The beginning net position of the governmental activities is being restated due to the correction of prior year interfund transfers and to properly reflect the change in Unfunded Actuarial Liability due to reporting changes in accordance with GASB 68. Beginning fund balances on the fund financial statements are restated for the correction of prior year interfund transfers.

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, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>WITH FINAL BUDGET</u>
Revenues:				
Taxes:				
Ad valorem	\$ 1,119,169	\$ 1,126,190	\$ 1,226,525	\$ 100,335
Other taxes, penalties, and interest	6,500	6,500	6,922	422
Licenses and permits	120,500	126,000	126,132	132
Intergovernmental funds:				
Federal funds	4,525	4,525	4,293	(232)
Severance taxes	1,175,000	1,175,000	1,224,588	49,588
State revenue sharing	62,500	62,500	84,793	22,293
Fire insurance rebate	185,230	212,343	212,343	-
Other state funds	-	-	63,604	63,604
Fees, charges, and commissions for services	20,000	19,000	21,743	2,743
Use of money and property	73,000	188,550	192,168	3,618
Other revenues	1,200	5,250	32,777	27,527
Total revenues	<u>2,767,624</u>	<u>2,925,858</u>	<u>3,195,888</u>	<u>270,030</u>
Expenditures:				
Current:				
General government:				
Legislative	181,835	184,899	154,868	(30,031)
Judicial	281,660	283,686	282,356	(1,330)
Elections	30,249	26,084	29,034	2,950
Finance and administrative	625,722	601,302	638,195	36,893
Other general government	588,975	573,797	568,436	(5,361)
Public safety	507,499	534,034	517,596	(16,438)
Health and welfare	13,000	11,375	6,839	(4,536)
Culture and recreation	4,420	2,527	2,530	3
Economic development and assistance	23,500	55,600	57,692	2,092
Total expenditures	<u>2,256,860</u>	<u>2,273,304</u>	<u>2,257,546</u>	<u>(15,758)</u>
Excess (deficiency) of revenues over expenditures	<u>510,764</u>	<u>652,554</u>	<u>938,342</u>	<u>285,788</u>
Other sources (uses):				
Operating transfers out	(510,764)	(652,554)	(652,554)	-
Total other sources (uses)	<u>(510,764)</u>	<u>(652,554)</u>	<u>(652,554)</u>	<u>-</u>
Net change in fund balances	-	-	285,788	285,788
Fund balances at beginning of year	3,365,719	3,365,719	3,426,434	60,715
Fund balances at end of year	\$ 3,365,719	\$ 3,365,719	\$ 3,712,222	\$ 346,503

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - ROAD CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 1,686,579	\$ 1,688,000	\$ 1,793,028	\$ 105,028
Intergovernmental funds:				
State revenue sharing	93,800	93,800	125,652	31,852
Use of money and property	5,000	2,500	10,618	8,118
Total revenues	<u>1,785,379</u>	<u>1,784,300</u>	<u>1,929,298</u>	<u>144,998</u>
Expenditures:				
Current:				
Public works	<u>1,489,772</u>	<u>1,417,370</u>	<u>1,428,093</u>	<u>10,723</u>
Net change in fund balances	295,607	366,930	501,205	134,275
Fund balances at beginning of year	<u>4,013,957</u>	<u>4,013,957</u>	<u>4,013,957</u>	-
Fund balances at end of year	<u>\$ 4,309,564</u>	<u>\$ 4,380,887</u>	<u>\$ 4,515,162</u>	<u>\$ 134,275</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - ROAD MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 1,686,579	\$ 1,688,000	\$ 1,781,468	\$ 93,468
Intergovernmental funds:				
State revenue sharing	93,800	93,800	125,652	31,852
Use of money and property	600	2,500	12,994	10,494
Total revenues	<u>1,780,979</u>	<u>1,784,300</u>	<u>1,920,114</u>	<u>135,814</u>
Expenditures:				
Current:				
Public works	<u>1,552,899</u>	<u>1,516,168</u>	<u>1,541,279</u>	<u>25,111</u>
Net change in fund balances	228,080	268,132	378,835	110,703
Fund balances at beginning of year	<u>3,878,064</u>	<u>3,878,064</u>	<u>3,878,064</u>	<u>-</u>
Fund balances at end of year	<u>\$ 4,106,144</u>	<u>\$ 4,146,196</u>	<u>\$ 4,256,899</u>	<u>\$ 110,703</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 1,945,774	\$ 1,914,262	\$ 2,045,499	\$ 131,237
Intergovernmental funds:				
State revenue sharing	35,000	35,152	46,376	11,224
Fees, charges, and commissions for services	45,000	30,000	34,574	4,574
Fines and forfeitures	30,000	40,000	45,944	5,944
Use of money and property	20,000	19,800	47,551	27,751
Donations	3,000	1,050	1,275	225
Total revenues	<u>2,078,774</u>	<u>2,040,264</u>	<u>2,221,219</u>	<u>180,955</u>
Expenditures:				
Current:				
Culture and recreation	<u>2,099,856</u>	<u>2,204,250</u>	<u>2,195,415</u>	<u>(8,835)</u>
Net change in fund balances	(21,082)	(163,986)	25,804	189,790
Fund balances at beginning of year	<u>4,568,904</u>	<u>4,568,904</u>	<u>4,568,904</u>	-
Fund balances at end of year	<u>\$ 4,547,822</u>	<u>\$ 4,404,918</u>	<u>\$ 4,594,708</u>	<u>\$ 189,790</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SOLID WASTE DISPOSAL SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Sales and use	\$ 4,050,000	\$ 5,991,640	\$ 5,863,352	\$ (128,288)
Fees, charges, and commissions for services	165,000	220,000	243,877	23,877
Other revenues	24,525	22,010	20,584	(1,426)
Total revenues	<u>4,239,525</u>	<u>6,233,650</u>	<u>6,127,813</u>	<u>(105,837)</u>
Expenditures:				
Current:				
Public works	3,453,347	4,742,550	4,453,641	(288,909)
Capital outlay	10,000	11,600	306,887	295,287
Total expenditures	<u>3,463,347</u>	<u>4,754,150</u>	<u>4,760,528</u>	<u>6,378</u>
Excess (deficiency) of revenues over expenditures	<u>776,178</u>	<u>1,479,500</u>	<u>1,367,285</u>	<u>(112,215)</u>
Other sources (uses):				
Operating transfers out	<u>(776,178)</u>	<u>(1,479,500)</u>	<u>(1,432,156)</u>	<u>47,344</u>
Total other sources (uses)	<u>(776,178)</u>	<u>(1,479,500)</u>	<u>(1,432,156)</u>	<u>47,344</u>
Net change in fund balances	-	-	(64,871)	(64,871)
Fund balances at beginning of year	50,756	50,756	50,756	-
Fund balances at end of year	<u>\$ 50,756</u>	<u>\$ 50,756</u>	<u>\$ (14,115)</u>	<u>\$ (64,871)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE -
SOLID WASTE DISPOSAL EQUIPMENT RESERVE
RESERVE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Use of money and property	\$ 14,000	\$ 11,800	\$ 51,066	\$ 39,266
Expenditures:				
Capital outlay	295,000	336,880	336,880	-
Net change in fund balances	(281,000)	(325,080)	(285,814)	39,266
Fund balances at beginning of year	3,051,911	3,051,911	3,087,314	35,403
Fund balances at end of year	<u>\$ 2,770,911</u>	<u>\$ 2,726,831</u>	<u>\$ 2,801,500</u>	<u>\$ 74,669</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - HOSPITAL PROCEEDS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Use of money and property	\$ 144,000	\$ 122,500	\$ 109,189	\$ (13,311)
Expenditures:				
Current:				
Health and welfare	65,030	64,746	44,071	(20,675)
Excess (deficiency) of revenues over expenditures	78,970	57,754	65,118	7,364
Other sources (uses):				
Operating transfers out	(78,970)	(57,754)	(67,618)	(9,864)
Net change in fund balances	-	-	(2,500)	(2,500)
Fund balances at beginning of year	10,000,000	10,000,000	10,000,000	-
Fund balances at end of year	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 9,997,500</u>	<u>\$ (2,500)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2015

Budgetary practices of the police jury include public notice of the proposed budget, public inspection of the proposed budget and public hears on the budge. 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, 2015, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variances</u>
General Fund:			
Transfers out	\$652,554	\$856,555	\$204,001
Solid Waste Disposal:			
Other revenues	\$22,010	\$20,584	\$1,426
Capital outlay	\$11,600	\$306,887	\$295,287
Hospital Proceeds:			
Use of money and property	\$122,500	\$109,189	\$13,311
Transfers out	\$57,754	\$67,618	\$9,864

LINCOLN PARISH POLICE JURY
SUPPLEMENTAL INFORMATION REQUIRED BY GASB NO. 68
FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule of Employer's Share of Net Pension Liability

Employer's proportion of the net pension liability (asset)		0.589037%
Employer's proportionate share of the net pension liability (asset)	\$	161,049
Employer's covered employee payroll	\$	3,121,878
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll		5.16%
Plan fiduciary net pension as a percentage of the total pension liability		99.00%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Schedule of Employer Contributions

Contractually required contribution	\$	452,673
Contributions in relation to contractually required contribution	\$	452,673
Contribution deficiency (excess)	\$	-
Employer's covered employee payroll	\$	3,121,878
Contributions as a percentage of covered employee payroll		14.50%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

OTHER SUPPLEMENTAL INFORMATION

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 4,350,727	\$ 632,996	\$ 1,199,623	\$ 6,183,346
Investments	3,051,884	-	18,093	3,069,977
Receivables	377,540	422,952	20,625	821,117
Due from other funds	82,429	-	1,459,124	1,541,553
Due from other governments	1,249	-	34,608	35,857
Total assets	<u>7,863,829</u>	<u>1,055,948</u>	<u>2,732,073</u>	<u>11,651,850</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Cash overdraft	166,467	-	-	166,467
Accounts payable	174,803	-	31,326	206,129
Due to other agencies	-	-	283,022	283,022
Due to other funds	147,053	-	29,458	176,511
Total liabilities	<u>488,323</u>	<u>-</u>	<u>343,806</u>	<u>832,129</u>
Fund equity - fund balances:				
Restricted	540,866	-	-	540,866
Assigned	6,834,640	1,055,948	2,388,267	10,278,855
Total fund equity - fund balances	<u>7,375,506</u>	<u>1,055,948</u>	<u>2,388,267</u>	<u>10,819,721</u>
Total liabilities and fund equity	<u>\$ 7,863,829</u>	<u>\$ 1,055,948</u>	<u>\$ 2,732,073</u>	<u>\$ 11,626,850</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL
Revenues:				
Taxes:				
Ad valorem	\$ -	\$ 418,267	\$ -	\$ 418,267
Other taxes, penalties, and interest	-	-	169,699	169,699
Intergovernmental funds:				
Federal funds	455,755	-	-	455,755
Other state funds	509,355	-	-	509,355
Local	38,313	-	-	38,313
Fees, charges, and commissions for services	155,399	-	162,869	318,268
Fines and forfeitures	359,362	-	-	359,362
Use of money and property	123,974	214,067	226,024	564,065
Other revenues	468	-	444	912
Total revenues	<u>1,642,626</u>	<u>632,334</u>	<u>559,036</u>	<u>2,833,996</u>
Expenditures:				
Current:				
General government:				
Judicial	440,515	-	-	440,515
Other general government	-	-	147,621	147,621
Public works	1,086,800	-	115,538	1,202,338
Health and welfare	471,960	-	-	471,960
Culture and recreation	-	-	531,924	531,924
Transportation	-	-	65,000	65,000
Debt service	-	598,783	-	598,783
Capital outlay	206,501	-	-	206,501
Total expenditures	<u>2,205,776</u>	<u>598,783</u>	<u>860,083</u>	<u>3,664,642</u>
Excess (deficiency) of revenues over expenditures	<u>(563,150)</u>	<u>33,551</u>	<u>(301,047)</u>	<u>(830,646)</u>
Other sources (uses):				
Operating transfers in	<u>1,450,656</u>	<u>-</u>	<u>701,672</u>	<u>2,152,328</u>
Net change in fund balances	887,506	33,551	400,625	1,321,682
Fund balances at beginning of year	6,488,000	1,022,397	1,987,642	9,498,039
Fund balances at end of year	<u>\$ 7,375,506</u>	<u>\$ 1,055,948</u>	<u>\$ 2,388,267</u>	<u>\$ 10,819,721</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2015

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.

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. The Solid Waste Collection Fund accounts for the proceeds of the parish-wide one-half cent sales and use tax for the operation of refuse collection sites within the parish.

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.

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES (CONTINUED)
DECEMBER 31, 2015

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

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.

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
AS OF DECEMBER 31, 2015

	<u>SPECIAL ROAD FUND</u>	<u>SOLID WASTE COLLECTION FUND</u>	<u>SOLID WASTE COLLECTION EQUIPMENT RESERVE FUND</u>	<u>CRIMINAL COURT FUND</u>	<u>LAW ENFORCEMENT WITNESS FEE FUND</u>	<u>SEWER FUND</u>	<u>JUVENILE ASSISTANCE FUND</u>	<u>HEALTH UNIT FUND</u>
ASSETS								
Cash and cash equivalents	\$ -	\$ 1,596,239	\$ 1,899,319	\$ 100,583	\$ 16,879	\$ 95,788	\$ 14,469	\$ 81,181
Investments	792,287	1,030,501	1,229,096	-	-	-	-	-
Receivables	84,419	220,449	107	50,418	-	21,192	538	417
Due from other funds	10,295	2,180	-	4,710	-	-	-	37,000
Due from other governments	949	-	214	-	86	-	-	-
Total assets	<u>\$ 887,950</u>	<u>\$ 2,849,369</u>	<u>\$ 3,128,736</u>	<u>\$ 155,711</u>	<u>\$ 16,965</u>	<u>\$ 116,980</u>	<u>\$ 15,007</u>	<u>\$ 118,598</u>
LIABILITIES AND FUND EQUITY								
Liabilities:								
Cash overdraft	\$ 166,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	26,591	13,501	-	131,524	-	3,147	-	40
Due to other funds	-	-	-	18,345	4,710	3,244	10,712	85,042
Total liabilities	<u>193,058</u>	<u>13,501</u>	<u>-</u>	<u>149,869</u>	<u>4,710</u>	<u>6,391</u>	<u>10,712</u>	<u>85,082</u>
Fund equity - fund balances (deficit):								
Restricted	-	-	-	-	-	-	-	-
Revenue	694,892	2,835,868	3,128,736	5,842	12,255	110,589	4,295	33,516
Total fund equity - fund balances	<u>694,892</u>	<u>2,835,868</u>	<u>3,128,736</u>	<u>5,842</u>	<u>12,255</u>	<u>110,589</u>	<u>4,295</u>	<u>33,516</u>
Total liabilities and fund equity	<u>\$ 887,950</u>	<u>\$ 2,849,369</u>	<u>\$ 3,128,736</u>	<u>\$ 155,711</u>	<u>\$ 16,965</u>	<u>\$ 116,980</u>	<u>\$ 15,007</u>	<u>\$ 118,598</u>

	SECTION 8 HOUSING FUND	SEWER FUND EQUIPMENT REPLACEMENT FUND	MOSQUITO CONTROL FUND	TOTAL
ASSETS				
Cash and cash equivalents	\$ 440,706	\$ 105,563	\$ -	\$ 4,350,727
Investments	-	-	-	3,051,884
Receivables	-	-	-	377,540
Due from other funds	-	3,244	25,000	82,429
Due from other governments	-	-	-	1,249
Total assets	<u>\$ 440,706</u>	<u>\$ 108,807</u>	<u>\$ 25,000</u>	<u>\$ 7,863,829</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Cash overdraft	\$ -	\$ -	\$ -	\$ 166,467
Accounts payable	-	-	-	174,803
Due to other funds	-	-	25,000	147,053
Total liabilities	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>488,323</u>
Fund equity - fund balances (deficit):				
Restricted	440,706	108,807	-	549,513
Revenue	-	-	-	6,825,993
Total fund equity - fund balances	<u>440,706</u>	<u>108,807</u>	<u>-</u>	<u>7,375,506</u>
Total liabilities and fund equity	<u>\$ 440,706</u>	<u>\$ 108,807</u>	<u>\$ 25,000</u>	<u>\$ 7,863,829</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, 2015

	SPECIAL ROAD FUND	SOLID WASTE COLLECTION FUND	SOLID WASTE EQUIPMENT RESERVE FUND	CRIMINAL COURT FUND	LAW ENFORCEMENT WITNESS FEE FUND	SEWER FUND
Revenues:						
Intergovernmental funds:						
Federal funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other state funds	509,355	-	-	-	-	-
Local	-	-	-	-	-	-
Fees, charges, and commissions for services	-	-	-	52,918	14,033	88,448
Fines and forfeitures	-	-	-	359,362	-	-
Use of money and property	13,823	87,708	22,430	13	-	-
Other revenues	-	468	-	-	-	-
Total revenues	<u>523,178</u>	<u>88,176</u>	<u>22,430</u>	<u>412,293</u>	<u>14,033</u>	<u>88,448</u>
Expenditures:						
Current:						
General government:						
Judicial	-	-	-	406,451	1,928	-
Public works	276,102	721,325	-	-	-	89,373
Health and welfare	-	-	-	-	-	-
Capital outlay	194,919	11,582	-	-	-	-
Total expenditures	<u>471,021</u>	<u>732,907</u>	<u>-</u>	<u>406,451</u>	<u>1,928</u>	<u>89,373</u>
Excess (deficiency) of revenues over expenditures	52,157	(644,731)	22,430	5,842	12,105	(925)
Other sources (uses):						
Operating transfers in	-	1,432,156	-	-	-	-
Net change in fund balances	52,157	787,425	22,430	5,842	12,105	(925)
Fund balances at beginning of year	642,735	2,048,443	3,106,306	-	150	111,514
Fund balances at end of year	<u>\$ 694,892</u>	<u>\$ 2,835,868</u>	<u>\$ 3,128,736</u>	<u>\$ 5,842</u>	<u>\$ 12,255</u>	<u>\$ 110,589</u>

	JUVENILE ASSISTANCE FUND	HEALTH UNIT FUND	SECTION 8 HOUSING FUND	SEWER FUND EQUIPMENT REPLACEMENT FUND	TOTAL
Revenues:					
Intergovernmental funds:					
Federal funds	\$ -	\$ -	\$ 455,755	\$ -	\$ 455,755
Other state funds	-	-	-	-	509,355
Local	33,313	5,000	-	-	38,313
Fees, charges, and commissions for services	-	-	-	-	155,399
Fines and forfeitures	-	-	-	-	359,362
Use of money and property	-	-	-	-	123,974
Other revenues	-	-	-	-	468
Total revenues	33,313	5,000	455,755	-	1,642,626
Expenditures:					
Current:					
General government:					
Judicial	32,136	-	-	-	440,515
Public works	-	-	-	-	1,086,800
Health and welfare	-	24,852	447,108	-	471,960
Capital outlay	-	-	-	-	206,501
Total expenditures	32,136	24,852	447,108	-	2,205,776
Excess (deficiency) of revenues over expenditures	1,177	(19,852)	8,647	-	(563,150)
Other sources (uses):					
Operating transfers in	-	18,500	-	-	1,450,656
Net change in fund balances	1,177	(1,352)	8,647	-	887,506
Fund balances at beginning of year	3,118	34,868	432,059	108,807	6,488,000
Fund balances at end of year	\$ 4,295	\$ 33,516	\$ 440,706	\$ 108,807	\$ 7,375,506

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2015

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

AS OF DECEMBER 31, 2015

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Fund	TOTAL
ASSETS					
Cash and cash equivalents	\$ 234,800	\$ 743,455	\$ 62,384	\$ 158,984	\$ 1,199,623
Investments	18,093	-	-	-	18,093
Receivables	20,225	-	400	-	20,625
Due from other funds	450	1,104,975	48	353,651	1,459,124
Due from other governments	-	34,608	-	-	34,608
Total assets	<u>273,568</u>	<u>1,883,038</u>	<u>62,832</u>	<u>512,635</u>	<u>2,732,073</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	26,080	2,337	2,909	-	31,326
Due to other agencies	2,108	280,914	-	-	283,022
Due to other funds	1,831	-	27,627	-	29,458
Total liabilities	<u>30,019</u>	<u>283,251</u>	<u>30,536</u>	<u>-</u>	<u>343,806</u>
Fund equity - fund balances:					
Assigned	<u>243,549</u>	<u>1,599,787</u>	<u>32,296</u>	<u>512,635</u>	<u>2,388,267</u>
Total liabilities and fund equity	<u>\$ 273,568</u>	<u>\$ 1,883,038</u>	<u>\$ 62,832</u>	<u>\$ 512,635</u>	<u>\$ 2,732,073</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Fund	TOTAL
Revenues:					
Taxes:					
Other taxes, penalties, and interest	\$ 169,699	\$ -	\$ -	\$ -	\$ 169,699
Fees, charges, and commissions for services	123,532	-	39,337	-	162,869
Use of money and property	146,975	1,583	77,466	-	226,024
Other revenues	444	-	-	-	444
Total revenues	<u>440,650</u>	<u>1,583</u>	<u>116,803</u>	<u>-</u>	<u>559,036</u>
Expenditures:					
Current:					
General government	-	147,621	-	-	147,621
Public works	-	-	-	115,538	115,538
Culture and recreation	432,526	-	99,398	-	531,924
Transportation	-	65,000	-	-	65,000
Total expenditures	<u>432,526</u>	<u>212,621</u>	<u>99,398</u>	<u>115,538</u>	<u>860,083</u>
Excess (deficiency) of revenues over expenditures	<u>8,124</u>	<u>(211,038)</u>	<u>17,405</u>	<u>(115,538)</u>	<u>(301,047)</u>
Other sources (uses):					
Operating transfers in	-	652,554	-	49,118	701,672
Net change in fund balances	8,124	441,516	17,405	(66,420)	400,625
Fund balances (deficit) at beginning of year	235,425	1,158,271	14,891	579,055	1,987,642
Fund balances (deficit) at end of year	<u>\$ 243,549</u>	<u>\$ 1,599,787</u>	<u>\$ 32,296</u>	<u>\$ 512,635</u>	<u>\$ 2,388,267</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2015

	Library Bond Sinking Fund	LPPJ Complex II Bond Sinking Fund	TOTAL
ASSETS			
Cash and cash equivalents	\$ 479,971	\$ 153,025	\$ 632,996
Receivables	412,638	10,314	422,952
Total assets	<u>\$ 892,609</u>	<u>\$ 163,339</u>	<u>\$ 1,055,948</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY			
Liabilities:			
Total liabilities	\$ -	\$ -	\$ -
Deferred inflows:			
Total deferred inflows	-	-	-
Fund equity - fund balances:			
Assigned	<u>892,609</u>	<u>163,339</u>	<u>1,055,948</u>
Total liabilities, deferred inflows, and fund equity	<u>\$ 892,609</u>	<u>\$ 163,339</u>	<u>\$ 1,055,948</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Library Bond Sinking Fund	LPPJ Complex II Bond Sinking Fund	TOTAL
Revenues:			
Taxes:			
Ad valorem	\$ 418,267	\$ -	\$ 418,267
Use of money and property	133	213,934	214,067
Total revenues	<u>418,400</u>	<u>213,934</u>	<u>632,334</u>
Expenditures:			
Debt service	<u>406,591</u>	<u>192,192</u>	<u>598,783</u>
Net change in fund balances	11,809	21,742	33,551
Fund balances (deficit) at beginning of year	<u>880,800</u>	<u>141,597</u>	<u>1,022,397</u>
Fund balances (deficit) at end of year	<u>\$ 892,609</u>	<u>\$ 163,339</u>	<u>\$ 1,055,948</u>

OTHER SUPPLEMENTAL INFORMATION

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD, POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Jody Backus</u> <u>Police</u> <u>Juror</u>	<u>Bobby Bennett</u> <u>Police</u> <u>Juror</u>	<u>David Hamons</u> <u>Police</u> <u>Juror</u>	<u>Joe Henderson</u> <u>Police</u> <u>Juror</u>	<u>Hazel Hunter</u> <u>Police</u> <u>Juror</u>
Salary	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 11,700
Benefits-Insurance	-	-	-	-	-
Benefits-Retirement	-	-	-	-	-
Deferred Compensation (contributions made by the agency)	-	-	-	-	-
Benefits-Other - Dental	-	-	-	-	-
Dues	-	-	-	-	-
Auto Expense	-	-	-	-	-
Travel	-	-	-	-	-
Registration Fees	-	-	-	-	490
Conference Travel	-	472	-	-	1,273
Total	\$ 10,500	\$ 10,972	\$ 10,500	\$ 10,500	\$ 13,463

	Sharyon Mafield Police Juror	Walter Pullen Police Juror	Randy Roberson Police Juror	Skip Russell Police Juror	Heather Walker Police Juror
Salary	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500
Benefits-Insurance	-	-	-	-	-
Benefits-Retirement	-	-	-	-	-
Deferred Compensation (contributions made by the agency)	-	-	-	-	-
Benefits-Other - Dental	-	-	-	-	-
Dues	-	-	-	-	-
Auto Expense	-	-	-	-	-
Travel	-	-	-	-	-
Registration Fees	490	-	-	-	-
Conference Travel	2,749	676	-	824	-
Total	\$ 13,739	\$ 11,176	\$ 10,500	\$ 11,324	\$ 10,500

	Nancy Wilson Police Juror	Theresa Wyatt Police Juror	Laura Hartt Treasurer	Bobby Gray Treasurer (Retired)	Courtney Hall Administrator
Salary	\$ 10,500	\$ 10,500	\$ 4,411	\$ 45,760	\$ 100,835
Benefits-Insurance	-	-	3	4,414	16,239
Benefits-Retirement	-	-	640	6,635	14,545
Deferred Compensation (contributions made by the agency)	-	-	-	-	825
Benefits-Other - Dental	-	-	-	200	-
Dues	-	-	25	75	-
Auto Expense	-	-	-	-	480
Travel	-	-	-	-	475
Registration Fees	490	490	-	770	-
Conference Travel	2,619	1,814	-	1,294	418
Total	<u>\$ 13,609</u>	<u>\$ 12,804</u>	<u>\$ 5,079</u>	<u>\$ 59,148</u>	<u>\$ 133,817</u>

OTHER SUPPLEMENTAL INFORMATION –
COMPLIANCE REQUIREMENTS

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

Lincoln Parish Police Jury
Ruston, Louisiana

We have audited, in accordance with the 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, the financial statements of the governmental activities 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, 2015, and the related notes to the financial statements, which collectively comprise the Police Jury’s basic financial statements, and have issued our report thereon dated June 25, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Police Jury’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Police Jury’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Police Jury’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

**Lincoln Parish Police Jury
Ruston, Louisiana**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

WILLIAM R. HULSEY (APAC)
Certified Public Accountant

Monroe, Louisiana
June 25, 2016

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

Summary of Auditor's Results

1. The police jury issues primary government financial statements. The auditor's report expresses an unmodified opinion on the police jury's governmental activities and each major fund. The report expresses an adverse opinion on the discretely presented component units. The report expresses a qualified opinion on the police jury's aggregate remaining fund information.
2. No significant deficiencies were disclosed during the audit of the financial statements and reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the Police Jury, which would be required to be reported in accordance with *Government Audit Standards*, were disclosed during the audit.

Findings – Financial Statement Audit

None

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015

Internal Control and Compliance Material to Federal Awards

There were no findings for this category.

Internal Control and Compliance Material to the Financial Statements

2014-01 Unauthorized Use of Fuel Card

Finding:

During the prior year, it was discovered that a Police Jury employee who worked for the Highway Department was getting gas without authorization using the Highway Department fuel card. All of the usage was occurring after regular working hours and all of the unauthorized usage was on one particular card that is kept in one of the Highway Department trucks. The truck remains on the Police Jury's property when it is not being used.

Recommendation:

The Police Jury should ensure that only responsible officials maintain possession and use of their fuel cards for all vehicles owned by the Lincoln Parish Police Jury.

Management's Corrective Action Plan:

The unauthorized use of this card was discovered by Management during a routine internal control process. Incident was reported to all proper authorities. Subject was arrested and charged with theft. Management believes that full restitution will be made. Management has modified existing fuel card policies and procedures in order to provide reasonable assurance that fuel cards are safeguarded against loss resulting from unauthorized use.

Current Status:

This finding is resolved.

Management Letter

There were no findings for this category.