

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

Primary Government Financial Statements
For the Year Ended December 31, 2012

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
PRIMARY GOVERNMENT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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PRIMARY GOVERNMENT FINANCIAL STATEMENTS
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INDEPENDENT AUDITOR'S REPORT

Lincoln Parish Police Jury
Ruston, Louisiana

Report on the Financial Statements

I have audited the accompanying primary government financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lincoln Parish Police Jury (which is the "Police Jury" as well as "the primary government"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Police Jury's basic financial statements 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 controls 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 my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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

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

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 would have been presented is indeterminable. In addition, the assets, liabilities, fund balances, revenues and expenditures of the aggregate remaining fund information would have increased by an amount that is also indeterminable.

Adverse Opinion on Aggregate Discretely Presented Component Units

In my 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 Lincoln Parish Police Jury as of December 31, 2012, or the changes in financial position thereof for the year then ended.

Qualified Opinion on Aggregate Remaining Fund Information

In my 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 fund information of the Lincoln Parish Police Jury, as of December 31, 2012, and the 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 my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Lincoln Parish Police Jury, as of December 31, 2012, and the respective changes in financial position 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 and Budgetary Comparison Information on pages 4-10 and 38-45 be presented to supplement the financial statements. Such information, although not a part of the 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.

Lincoln Parish Police Jury
Ruston, Louisiana

I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Police Jury's primary government financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes for additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my 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 financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 24, 2013 on my consideration of the Police Jury's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of the 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



May 24, 2013

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, 2012.

FINANCIAL HIGHLIGHTS

Our financial statements provide the following key financial highlights for the 2012 fiscal year:

- General Government Activities report total costs of \$15,479,647 and total revenues of \$14,907,485.
- 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.

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.

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, 2012 and 2011

	Governmental Activities 2012	Governmental Activities 2011
Current and other assets	35,500,649	36,017,990
Capital assets	24,884,871	26,068,860
Total assets	60,385,520	62,086,850
Current and other liabilities	1,279,899	1,362,471
Long-term liabilities	5,655,012	6,544,658
Total liabilities	6,934,911	7,907,129
Net Position		
Net investment in capital assets	21,683,860	21,258,860
Restricted	3,138,436	15,803,210
Unrestricted	28,628,313	17,117,651
Total net position	53,450,609	54,179,721

**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, 2012 and 2011**

	Governmental Activities 2012	Governmental Activities 2011
Revenues		
Program Revenues		
Section 8 housing	438,473	575,588
Parish transportation funds	498,719	506,163
General revenues		
Property taxes	6,610,686	6,444,157
Sales tax	3,636,989	3,600,340
Other taxes	219,422	187,572
State revenue sharing	290,159	291,811
Local grants	48,741	48,741
Federal revenue	192,414	308,582
Severance tax	1,103,110	1,049,637
Fees, charges and commissions	1,282,633	1,048,980
Fines and forfeitures	295,859	324,209
Earnings on investments	290,280	636,158
Miscellaneous	-	30,846
Total Revenues	14,907,485	15,052,784
Functions/Program Expenses		
Governmental Activities		
General and administrative	2,336,428	2,527,222
Public safety	297,576	303,184
Public works	9,280,067	8,185,237
Health and welfare	565,054	596,217
Operating services		
Culture and recreation	2,816,054	2,840,632
Economic development	26,536	40,771
Debt service	157,932	169,423
Total Functions/Program Expenses	15,479,647	14,662,686
Transfer to Detention Center	(159,185)	(280,598)
Increase (decrease) in net position	(731,347)	109,500
Net position – beginning of year (*Restated)	*54,181,956	*54,070,221
Net position – ending of year	53,450,609	54,179,721

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

Governmental Activities

The cost of all governmental activities this year was \$15,479,647. As indicated in the Statement of Activities, the amount that our taxpayers financed for these activities through property, sales taxes and other taxes was \$10,467,097 with an additional \$1,103,110 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, 2012 and 2011**

	Total Cost Of Services 2012	Total Cost Of Services 2011
Governmental Activities		
General government	2,336,428	2,527,222
Public safety	297,576	303,184
Public works	9,280,067	8,185,237
Health and welfare	565,054	596,217
Culture and recreation	2,816,054	2,840,632
Economic development	26,536	40,771
Interest on long-term debt	157,932	169,423
Total Functions/Program Expenses	15,479,647	14,662,686

The Police Jury's Funds

As the Police Jury completed the year, its governmental funds reported a combined net position balance (as restated) of \$53,450,609 indicating a decrease of \$731,347 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 \$300,983. 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 sixth year in a row.

In the general fund, actual revenues exceeded budgeted revenues by \$199,126 and actual expenditures were more than budgeted expenditures by \$129,904.

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 2012 and 2011:

	Governmental Activities 2012	Governmental Activities 2011
Land	\$1,708,686	\$1,708,686
Buildings	8,763,413	8,940,472
Building improvements	3,686,409	4,072,909
Machinery and equipment	1,815,894	2,041,550
Furniture and fixtures	379,279	453,261
Vehicles	607,021	585,347
Non-depreciable improvements	67,100	67,100
Construction in progress	-	-
Infrastructure	7,857,069	8,199,535
Totals	\$24,884,871	\$26,068,860

Debt Administration

The Lincoln Parish Police Jury had \$4,385,000 in long-term debt instruments at year-end compared to \$4,810,000 in the prior year.

	2012	2011
Library Bonds payable	\$ 3,250,000	\$ 3,545,000
Certificates of Indebtedness	\$1,135,000	\$1,265,000
Total	\$4,385,000	\$4,810,000

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 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, 2012, 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 70.21% 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 slight increase in 2012 despite the lingering effects of an economic downturn. 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
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	<u>Governmental Activities</u>
<i>Assets</i>	
Cash	\$ 7,163,998
Investments	22,438,596
Accounts Receivable	5,254,698
Due From Other Entities	628,150
Inventory	11,582
Capital Assets:	
Non-Depreciable	1,775,786
Depreciable	23,109,085
Total Assets	60,381,895
<i>Deferred Outflow of Resources</i>	
Prepaid Expenses	3,625
<i>Liabilities</i>	
Accounts Payable	468,803
Due To Other Entities	368,096
Non-Current Liabilities	
Due Within One Year	
Bonds Payable	443,000
Due in More Than One Year	
Compensated Absences	97,943
Bonds Payable	3,942,000
Unfunded Postretirement Benefit Plan Obligations	1,615,069
Total Liabilities	6,934,911
<i>Net Position</i>	
Net Investment in Capital Assets	21,683,860
Restricted For:	
Capital Projects	2,248,663
Debt Service	889,773
Unrestricted	28,628,313
Total Net Position	\$ 53,450,609

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Function/Program Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Government Activities:					
General Government	\$ 2,336,428	\$ 22,226	\$ -	\$ -	\$ (2,314,202)
Public Safety	297,576	353,282	37,236	177,070	270,012
Public Works	9,280,067	310,860	498,719	40,000	(8,430,488)
Health & Welfare	565,054	-	438,473	-	(126,581)
Culture & Recreation	2,816,054	342,685	-	20,024	(2,453,345)
Economic Development	26,536	-	-	-	(26,536)
Interest on Long-Term Debt	157,932	-	-	-	(157,932)
Total Governmental Activities	\$ 15,479,647	\$ 1,029,053	\$ 974,428	\$ 237,094	(13,239,072)

General Revenues:

Taxes:

Property Taxes	6,610,686
Sales Taxes	3,636,989
Other Taxes	219,422
Severance Taxes	1,103,110
Intergovernmental Revenues	290,159
Fire Insurance Rebate	168,184
Sale of Assets	94,500
Rents and Royalties	253,580
Transfers to Other Funds	(159,185)
Interest Earned	290,280
Total General Revenues	12,507,725

Changes in Net Position (731,347)

Net Position - Beginning (Restated) 54,181,956

Net Position - Ending \$ 53,450,609

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

FUND FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	<u>General Fund</u>	<u>Road Construction Fund</u>	<u>Road Maintenance Fund</u>	<u>Library Fund</u>
Assets:				
Cash and Cash Equivalents	\$ 364,546	\$ 561,859	\$ 798,256	\$ 333,796
Investments	2,052,603	524,850	1,012,645	2,412,176
Receivables	908,076	1,086,328	1,086,054	1,136,537
Prepaid Expenses	3,625	-	-	-
Due From Other Funds	873,886	738,327	2,802	50
Due From Other Entities	626,860	143	143	-
Inventory	-	11,582	-	-
TOTAL ASSETS	<u>\$ 4,829,596</u>	<u>\$ 2,923,089</u>	<u>\$ 2,899,900</u>	<u>\$ 3,882,559</u>
Liabilities and fund equity:				
Liabilities:				
Accounts Payable	240,510	\$ -	\$ 15	\$ 4,514
Due To Other Funds	1,315,713	-	-	-
Due To Other Entities	368,096	-	-	-
Total Liabilities	<u>1,924,319</u>	<u>-</u>	<u>15</u>	<u>4,514</u>
Fund Balances:				
Nonspendable	3,625	11,582	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	2,911,507	2,899,885	3,878,045
Unassigned	2,901,652	-	-	-
Total Fund Equity	<u>2,905,277</u>	<u>2,923,089</u>	<u>2,899,885</u>	<u>3,878,045</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 4,829,596</u>	<u>\$ 2,923,089</u>	<u>\$ 2,899,900</u>	<u>\$ 3,882,559</u>

Solid Waste Disposal Fund	Solid Waste Disposal Equipment Reserve Fund	Hospital Proceeds Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 79,635	\$ 456,121	\$ 4,569,785	\$ 7,163,998
61,413	2,934,206	9,959,481	3,481,222	22,438,596
372,997	7,717	-	656,989	5,254,698
-	-	-	-	3,625
3,307	-	-	1,188,588	2,806,960
-	-	-	1,004	628,150
-	-	-	-	11,582
<u>\$ 437,717</u>	<u>\$ 3,021,558</u>	<u>\$ 10,415,602</u>	<u>\$ 9,897,588</u>	<u>\$ 38,307,609</u>
\$ 61,206	\$ -	\$ 1,985	\$ 160,573	\$ 468,803
325,756	-	413,617	751,874	2,806,960
-	-	-	-	368,096
<u>386,962</u>	<u>-</u>	<u>415,602</u>	<u>912,447</u>	<u>3,643,859</u>
-	-	-	-	15,207
-	-	-	433,402	433,402
-	-	-	-	-
50,755	3,021,558	10,000,000	8,551,739	31,313,489
-	-	-	-	2,901,652
<u>50,755</u>	<u>3,021,558</u>	<u>10,000,000</u>	<u>8,985,141</u>	<u>34,663,750</u>
<u>\$ 437,717</u>	<u>\$ 3,021,558</u>	<u>\$ 10,415,602</u>	<u>\$ 9,897,588</u>	<u>\$ 38,307,609</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2012

Total Governmental Fund Balances \$ 34,663,750

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

Capital assets used in governmental activities
are not financial resources and therefore
are not reported in the funds. 24,884,871

Unfunded postretirement benefit plan obligations are
not financial resources and therefore are not reported
in the funds. (1,615,069)

Long-term liabilities, including compensated
absences payable, are not due and payable in
the current period and therefore are not
reported in the funds. (4,482,943)

Net Position of Governmental Activities \$ 53,450,609

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund	Road Construction Fund	Road Maintenance Fund	Library Fund
Revenues:				
Taxes:				
Ad Valorem	\$ 1,011,516	\$ 1,532,159	\$ 1,532,159	\$ 2,081,095
1/2 Cent Sales Tax	-	-	-	-
Other Taxes, Penalties and Interest, etc.	119,858	-	-	-
Intergovernmental Revenues:				
Federal Funds:				
Section 8 Housing	4,890	-	-	-
Other Federal Funds	177,070	-	-	-
State Funds:				
Parish Transportation Funds	-	-	-	-
State Revenue Sharing (net)	62,435	93,162	93,162	41,400
Grants - Other Local Agencies	-	-	-	11,505
Severance Tax	1,103,110	-	-	-
Fees, Charges and Commission for Services	190,410	-	-	58,828
Fines and Forfeitures	-	-	-	-
Use of Money and Property				
Interest Earnings and Rents	59,439	9,298	787	19,447
Other Revenues	19,474	-	-	820
Total Revenues	2,748,202	1,634,619	1,626,108	2,213,095
Expenditures:				
General Government	1,695,346	-	-	-
Public Safety	252,434	-	-	-
Public Works	-	1,336,738	1,337,729	-
Health and Welfare	15,909	-	-	-
Culture and Recreation	2,694	-	-	2,052,452
Economic Development and Assistance	26,536	-	-	-
Capital Outlay	145,114	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest and Other	-	-	-	-
Total Expenditures	2,138,033	1,336,738	1,337,729	2,052,452
Excess (Deficiency) of Revenues Over Expenditures	610,169	297,881	288,379	160,643
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
Operating Transfers Out	(309,186)	-	-	-
Total Other Financing Sources (Uses)	(309,186)	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	300,983	297,881	288,379	160,643
Fund Balances, Beginning (Restated)	2,604,294	2,625,208	2,611,506	3,717,402
Fund Balances, Ending	\$ 2,905,277	\$ 2,923,089	\$ 2,899,885	\$ 3,878,045

Solid Waste Disposal Fund	Solid Waste Disposal Equipment Reserve Fund	Hospital Proceeds Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 453,757	\$ 6,610,686
3,636,989	-	-	-	3,636,989
-	-	-	99,564	219,422
-	-	-	433,583	438,473
-	-	-	348,399	525,469
-	-	-	498,719	498,719
-	-	-	-	290,159
-	-	-	37,236	48,741
-	-	-	-	1,103,110
115,024	-	-	744,405	1,108,667
-	-	-	295,859	295,859
1,781	29,332	178,315	63,224	361,623
-	-	-	134,500	154,794
<u>3,753,794</u>	<u>29,332</u>	<u>178,315</u>	<u>3,109,246</u>	<u>15,292,711</u>
-	-	-	385,530	2,080,876
-	-	-	-	252,434
3,069,346	1,260,800	-	1,181,607	8,186,220
-	-	45,344	503,801	565,054
-	-	-	406,232	2,461,378
-	-	-	-	26,536
-	-	-	826,986	972,100
-	-	-	425,000	425,000
-	-	-	157,932	157,932
<u>3,069,346</u>	<u>1,260,800</u>	<u>45,344</u>	<u>3,887,088</u>	<u>15,127,530</u>
<u>684,448</u>	<u>(1,231,468)</u>	<u>132,971</u>	<u>(777,842)</u>	<u>165,181</u>
-	-	-	1,706,620	1,706,620
<u>(684,448)</u>	<u>(739,200)</u>	<u>(132,971)</u>	<u>-</u>	<u>(1,865,805)</u>
<u>(684,448)</u>	<u>(739,200)</u>	<u>(132,971)</u>	<u>1,706,620</u>	<u>(159,185)</u>
-	(1,970,668)	-	928,778	5,996
<u>50,755</u>	<u>4,992,226</u>	<u>10,000,000</u>	<u>8,056,363</u>	<u>34,657,754</u>
<u>\$ 50,755</u>	<u>\$ 3,021,558</u>	<u>\$ 10,000,000</u>	<u>\$ 8,985,141</u>	<u>\$ 34,663,750</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Net Change in Fund Balances - Total Governmental Funds \$ 5,996

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

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

Capital assets purchases capitalized	228,204
Capital assets disposed of less accumulated depreciation	(45,346)
Depreciation Expense	<u>(1,366,847)</u>
	(1,183,989)

Postretirement benefit plan expenditures 9,498

The issuance of long-term debt (e.g. capital leases, bonds) provides current financial resources to governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt liabilities in the statement of net position.	425,000
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The increase in compensated absences liability does not require the use of current financial resources but is recorded as an expense in the statement of activities.	<u>12,148</u>
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Change in Net Position in Governmental Activities \$ (731,347)

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2012

ASSETS

Investments, at Fair Value	<u>\$ 1,111,684</u>
TOTAL ASSETS	<u><u>\$ 1,111,684</u></u>

LIABILITIES

Liabilities	\$ -
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NET POSITION

Held in Trust for Deferred Compensation Benefits	<u>1,111,684</u>
TOTAL NET POSITION	<u><u>\$ 1,111,684</u></u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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, 2012

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 Systems	1&2
Lincoln General Hospital	1&2
Fire Protection District No. 1 of Lincoln Parish	1&2
Lincoln Parish Industrial Development Board	1&2
Mount Olive Waterworks District	1&2
Waterworks District No. 1 of Lincoln Parish	1&2
Waterworks District No. 2 of Lincoln Parish	1&2
Waterworks District No. 3 of Lincoln Parish	1&2
Lincoln Parish Communications District	1&2
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. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

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

Measurement Focus, Basis of Accounting and Financial Statement Position

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

Governmental Fund Financial Statements – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period; the Lincoln Parish Police Jury considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end.

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, 2012 has been reported only in the governmental-wide financial statements.
- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.

Fund Accounting

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

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.

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity (Continued)

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.

When both restricted and unrestricted resources are available for use, it is the Policy Jury’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

Receivables

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

Interfund Receivables and Payables

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

Fixed Assets

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Annual and Sick Leave

The following annual and sick leave policies are in effect:

Police Jury

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

Library

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

Third Judicial Criminal District Court

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

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

Sales and Use Tax

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

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

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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, 2012. The Police Jury had cash and cash equivalents in demand deposits, totaling \$7,163,998 at December 31, 2012.

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, 2012, are secured, as follows:

Bank Balances	\$ <u>8,213,870</u>
FDIC Insurance	1,000,000
Pledged Securities (uncollateralized)	<u>11,886,165</u>
Total	<u>\$ 12,886,165</u>

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, 2012.

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, 2012, the Police Jury had the following investments stated at cost, which approximates market:

Government Agency Bonds	\$ 20,790,985
Equities	10,948
Cash or Money Market Accounts	<u>1,645,663</u>
Total	<u>\$ 22,438,596</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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 5 – PROPERTY AND EQUIPMENT (Continued)

Less: Accumulated Depreciation:

Buildings	(4,519,016)	(177,059)	-	(4,696,075)
Infrastructure	(17,822,483)	(342,466)	-	(18,164,949)
Improvements	(2,772,295)	(386,500)	-	(3,158,795)
Vehicles	(1,164,725)	(72,542)	110,463	(1,126,804)
Furniture & Fixtures	(941,406)	(73,982)	-	(1,015,388)
Machinery & Equipment	(2,071,593)	(314,298)	6,430	(2,379,461)
Total	(29,291,518)	(1,366,847)	116,893	(30,541,472)
Capital Assets, Net	<u>\$ 26,068,860</u>	<u>\$(1,138,643)</u>	<u>\$(45,346)</u>	<u>\$ 24,884,871</u>

Depreciation expense charged for \$1,366,643 is as follows:

General Government	\$ 277,198
Public Safety	45,142
Public Works	689,831
Health & Welfare	-
Economic Development	-
Culture and Recreation	354,676
Total	<u>\$ 1,366,847</u>

NOTE 6 – PENSION PLAN

Plan Description

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

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to 1% of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3% of final-average salary for each year of service credited after the revision date. Under Plan B, employees who retire at or after age 62 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2% of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3% for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100% of final average salary. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 6 -- PENSION PLAN (Continued)

Plan Description (Continued)

Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy

Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Lincoln Parish Police Jury is required to contribute at an actuarially determined rate. The current rate is 15.75% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Lincoln Parish Police Jury are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The Lincoln Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2012, 2011, and 2010 were \$483,634, \$498,628, and \$501,863, respectively, equal to the required contributions for each year.

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 \$207,289 for the year ended December 31, 2012. Future minimum lease payments for these leases are as follows:

Year Ended <u>December 31,</u>	<u>LPPJ Complex Lease</u>
2013	\$ 137,608
2014	137,608
2015	137,608
2016	137,608
2017	<u>137,608</u>
Total	<u>\$ 688,040</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 8 – DUE TO/FROM OTHER FUNDS

Individual fund balances due to/from other funds at December 31, 2012, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 873,886	\$ 1,315,713
Special Revenue Funds:		
Road Construction Fund	738,327	-
Road Maintenance Fund	2,802	-
Library Fund	50	-
Solid Waste Disposal Fund	3,307	325,756
Hospital Proceeds Fund	-	413,617
Non-Major Funds:		
Special Revenue Funds	127,343	714,026
Capital Projects Funds	<u>1,061,245</u>	<u>37,848</u>
Totals	<u>\$ 2,806,960</u>	<u>\$ 2,806,960</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, 2012:

Balance at January 1, 2012	\$(4,052)
Court costs collected	7,836
Interest	1
Witness fees paid	<u>(7,900)</u>
Balance at December 31, 2012	<u>\$(4,115)</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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

The following schedule provides detail on changes for the year ended December 31, 2012.

	<u>Collection Equipment</u>	<u>Disposal Equipment</u>	<u>Total</u>
Balance at January 1, 2012	\$ 2,427,496	\$ 4,992,226	\$ 7,419,722
Transfers in (out)	-	(739,200)	(739,200)
Sale of assets	-	-	-
Other revenues	16,120	29,332	45,452
Equipment replacement costs	-	-	-
Expenditures	-	<u>(1,260,800)</u>	<u>(1,260,800)</u>
Balance at December 31, 2012	<u>\$ 2,443,616</u>	<u>\$ 3,021,558</u>	<u>\$ 5,465,174</u>

The total Solid Waste Equipment Reserve as of December 31, 2012, is as follows:

Solid Waste Equipment Reserve	\$ 5,465,174
Sewer Fund Equipment Replacement	<u>271,025</u>
Total Fund Equity Designated for Equipment Replacement	<u>\$ 5,736,199</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, 2012, \$25,356 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.

	<u>Property Tax Calendar</u>
Assessment Date	January 1, 2012
Levy Date	September 15, 2012
Tax Bills Mailed	October 30, 2012
Total Taxes Are Due	December 31, 2012
Penalties and Interest are Added	January 1, 2013
Tax Sales – 2011 Delinquent Property	May 21-23, 2013

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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	5.99	5.99
Library Bond Fund	1.38	1.38

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, 2012, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances</u> <u>(Unfavorable)</u>
General Fund			
Public Safety	\$ 232,518	\$ 252,434	\$(19,916)
Capital Outlay	\$ -	\$ 145,114	\$(145,114)
Solid Waste Disposal Reserve			
Interest Earnings & Rent	\$ 36,000	\$ 29,332	\$(6,668)
Hospital Proceeds Fund			
Operating Transfers Out	\$ 104,523	\$ 132,971	\$(28,448)

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 HEALTH CARE BENEFITS

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

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. Complete plan provisions are included in the official plan documents.

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. The actuaries have used the unblended rates provided and include the actuarial costs 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 and the blended rate (active and retired) is \$0.65 per \$1,000 of insurance. The employer pays 100% of the cost of the retiree life insurance. Since GASB 45 requires the use of "unblended" rates, the actuaries have used the 94GAR mortality table described above 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 benefits (Lincoln Parish Police Jury's portion of the retiree medical, dental, and life 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 2012 and 2011, Lincoln Parish Police Jury's portion of health care funding cost for retired employees totaled \$296,960, respectively.

Effective January 1, 2008, Lincoln Parish Police Jury implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution. Lincoln Parish Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. 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 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

	2012	2011
Normal Cost	\$ 54,511	\$ 54,511
30-year UAL amortization amount	262,087	262,087
	<hr/>	<hr/>
Annual required contribution (ARC)	\$ 316,598	\$ 316,598

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

	2012	2011
Beginning Net OPEB Obligation	\$ 1,624,567	\$ 1,634,065
Annual required contribution	316,598	316,598
Interest on Net OPEB Obligation	65,363	65,363
ARC Adjustment	(94,498)	(94,498)
OPEB Cost	<hr/> 287,462	<hr/> 287,462
Contribution	0	0
Current year retiree premium	<hr/> (296,960)	<hr/> (296,960)
Change in Net OPEB Obligation	(9,498)	(9,498)
Ending Net OPEB Obligation	\$ 1,615,069	\$ 1,624,567

The following table shows 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 (asset):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
December 31, 2012	\$287,462	103.30%	\$1,615,069
December 31, 2011	\$287,462	103.30%	\$1,624,567
December 31, 2010	\$727,462	24.70%	\$1,634,065

Funded Status and Funding Progress. In the fiscal years ending December 31, 2012 and 2011, Lincoln Parish Police Jury made no contributions to its post employment benefits plan. The plan was not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2011 actuarial valuation, the most recent actuarial valuation, the Actuarial Accrued Liability (AAL) at the end of the year ended December 31, 2012 was \$4,532,147, which is defined as that portion, as determined by a particular actuarial cost method (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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

	2012	2011
Actuarial Accrued Liability (AAL)	\$ 4,532,147	\$ 4,532,147
Actuarial Value of Plan Assets	0	0
Unfunded Act. Accrued Liability (UAAL)	\$ <u>4,532,147</u>	\$ <u>4,532,147</u>
Funded Ratio (Act. Val. Assets/AAL)	0%	0%
Covered Payroll (active plan members)	\$ 3,298,395	\$ 3,423,896
UAAL as a percentage of covered payroll	137.40%	132.37%

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 Lincoln Parish Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between 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 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 Statement 45.

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%.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

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 D.R.O.P. Medical benefits are provided to employees upon actual retirement. Employees are covered by 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.

Investment Return Assumption (Discount Rate). GASB Statement 45 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.

Health Care Cost Trend Rate. The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 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 rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans.

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 45.

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.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 16 – POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

	OPEB Costs and Contributions		
	FY 2012	FY 2011	FY 2010
OPEB Cost	\$ 287,462	\$ 287,462	\$ 727,565
Contribution	-	-	-
Retiree Premium	<u>296,960</u>	<u>296,960</u>	<u>179,704</u>
Change in Net OPEB Obligation	<u>\$(9,498)</u>	<u>\$(9,498)</u>	<u>\$ 547,861</u>
% of Contribution to Cost	0.00%	0.00%	0.00%
% of Contribution Plus Premium to Cost	103.30%	103.30%	24.70%

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	\$ 3,545,000	\$ -	\$ 295,000	\$ 3,250,000	\$ 308,000
Certificates of Indebtedness, Series 2009	1,265,000	-	130,000	1,135,000	135,000
Accrued Vacation and Sick Time	<u>110,091</u>	<u>-</u>	<u>12,148</u>	<u>97,943</u>	<u>97,943</u>
Total Governmental Activities					
Long-Term Debt	<u>\$ 4,920,091</u>	<u>\$ -</u>	<u>\$ 437,148</u>	<u>\$ 4,482,943</u>	<u>\$ 540,943</u>

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

Year Ended	Certificates of Indebtedness Series 2011		Certificates of Indebtedness Series 2009	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
<u>December 31,</u>				
2013	\$ 308,000	\$ 93,499	\$ 135,000	\$ 49,372
2014	321,000	84,001	145,000	43,500
2015	332,000	74,141	155,000	37,192
2016	348,000	63,873	160,000	30,450
2017	358,000	53,212	170,000	23,490
2018-2021	<u>1,583,000</u>	<u>98,104</u>	<u>370,000</u>	<u>24,360</u>
Total	<u>\$3,250,000</u>	<u>\$ 466,830</u>	<u>\$ 1,135,000</u>	<u>\$ 208,364</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 17 – BONDS PAYABLE (Continued)

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

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	\$ -	\$ 309,186
Special Revenue Funds:		
Solid Waste Disposal Fund	-	684,448
Solid Waste Collection Fund	-	739,200
Hospital Proceeds Fund	-	132,971
Non-Major Funds:		
Special Revenue Funds	1,442,148	-
Capital Projects Funds	264,472	-
Other Entities:		
Detention Center	<u>159,185</u>	<u>-</u>
Totals	<u>\$ 1,865,805</u>	<u>\$ 1,865,805</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 – PRIOR PERIOD ADJUSTMENT FUND FINANCIAL STATEMENTS

During 2010, the Police Jury purchased a new chiller with a cost of \$100,000 for the Detention Center. Instead of paying the Police Jury back, the annual transfer of \$85,000 to the Detention Center was reduced by \$20,000 over the next five years. The first \$20,000 reduction was not recognized in 2011 which resulted in an adjustment to fund balance in 2012. Also, prior year Hotel/Motel tax of \$22,235 was not collected until 2012, but there was no receivable set up in the Parks & Recreation Fund. These adjustments resulted in an overall increase of beginning net assets of \$2,235. Prior years are not presented on the statement of activities; therefore the adjustment for the cumulative effect of the prior period adjustment is presented as an adjustment to opening net position on the statement of activities.

NOTE 20 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 24, 2013, 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.

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 987,412	\$ 1,011,516	\$ 1,011,516	\$ -
Licenses & Permits	103,000	121,000	119,858	(1,142)
<u>Intergovernmental Revenues:</u>				
Federal Funds:				
Section 8 Housing	7,200	4,600	4,890	290
FEMA	-	-	177,070	177,070
State Funds:				
State Revenue Sharing	59,083	62,500	62,435	(65)
Severance Tax	1,120,000	1,077,000	1,103,110	26,110
Fees, Charges & Commission for Services	174,427	191,435	190,410	(1,025)
Use of Money and Property, Interest Earnings and Rent	65,725	64,500	59,439	(5,061)
Other Revenues	14,750	16,525	19,474	2,949
Total Revenues	2,531,597	2,549,076	2,748,202	199,126
<u>Expenditures (Outflows):</u>				
General Government				
Legislative	181,995	174,535	177,180	(2,645)
Judicial	332,060	349,348	336,665	12,683
Elections	38,020	31,357	28,138	3,219
Finance and Administration	558,530	594,335	581,972	12,363
Other General Government	618,218	581,444	571,391	10,053
Public Safety	217,535	232,518	252,434	(19,916)
Health and Welfare	17,000	17,000	15,909	1,091
Culture and Recreation	4,192	4,492	2,694	1,798
Economic Development	23,100	23,100	26,536	(3,436)
Capital Outlay	-	-	145,114	(145,114)
Total Expenditures	1,990,650	2,008,129	2,138,033	(129,904)
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	540,947	540,947	610,169	69,222
<u>Other Financing Uses:</u>				
Operating Transfers Out	(540,947)	(540,947)	(309,186)	231,761
<u>Excess (Deficiency) of Revenues Over Expenditures and Other Uses</u>	-	-	300,983	300,983
<u>Fund Balance at Beginning of Year</u>	2,604,294	2,604,294	2,604,294	-
<u>FUND BALANCE AT END OF YEAR</u>	\$ 2,604,294	\$ 2,604,294	\$ 2,905,277	\$ 300,983

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
ROAD CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 1,486,965	\$ 1,532,159	\$ 1,532,159	\$ -
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	88,929	93,800	93,162	(638)
Use of Money and Property, Interest Earnings and Rent	9,000	8,600	9,298	698
Total Revenues	<u>1,584,894</u>	<u>1,634,559</u>	<u>1,634,619</u>	<u>60</u>
<u>Expenditures (Outflows):</u>				
Public Works	<u>1,490,280</u>	<u>1,309,471</u>	<u>1,336,738</u>	<u>(27,267)</u>
Total Expenditures	<u>1,490,280</u>	<u>1,309,471</u>	<u>1,336,738</u>	<u>(27,267)</u>
<u>Excess of Revenues Over Expenditures</u>	94,614	325,088	297,881	(27,207)
<u>Fund Balance at Beginning of Year</u>	<u>2,625,208</u>	<u>2,625,208</u>	<u>2,625,208</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 2,719,822</u>	<u>\$ 2,950,296</u>	<u>\$ 2,923,089</u>	<u>\$ (27,207)</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
ROAD MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 1,486,965	\$ 1,532,159	\$ 1,532,159	\$ -
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	88,929	93,800	93,162	(638)
Use of Money and Property, Interest Earnings and Rent	9,000	8,300	787	(7,513)
Total Revenues	<u>1,584,894</u>	<u>1,634,259</u>	<u>1,626,108</u>	<u>(8,151)</u>
<u>Expenditures (Outflows):</u>				
Public Works	<u>1,474,080</u>	<u>1,306,661</u>	<u>1,337,729</u>	<u>(31,068)</u>
Total Expenditures	<u>1,474,080</u>	<u>1,306,661</u>	<u>1,337,729</u>	<u>(31,068)</u>
<u>Excess of Revenues Over Expenditures</u>	110,814	327,598	288,379	(39,219)
<u>Fund Balance at Beginning of Year</u>	<u>2,611,506</u>	<u>2,611,506</u>	<u>2,611,506</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 2,722,320</u>	<u>\$ 2,939,104</u>	<u>\$ 2,899,885</u>	<u>\$ (39,219)</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
LIBRARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
Ad Valorem	\$ 2,019,710	\$ 2,081,095	\$ 2,081,095	\$ -
Intergovernmental Revenues:				
State Funds:				
State Revenue Sharing	39,000	41,690	41,400	(290)
Grants - Other Local Agencies	10,000	11,505	11,505	-
Fees, Charges & Commission for Services	62,000	52,570	58,828	6,258
Use of Money and Property, Interest Earnings and Rent	18,000	10,100	19,447	9,347
Other Revenues	3,000	800	820	20
Total Revenues	<u>2,151,710</u>	<u>2,197,760</u>	<u>2,213,095</u>	<u>15,335</u>
<u>Expenditures (Outflows):</u>				
Culture and Recreation	2,191,726	2,029,015	2,052,452	(23,437)
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,191,726</u>	<u>2,029,015</u>	<u>2,052,452</u>	<u>(23,437)</u>
<u>Excess (Deficit) of Revenues</u>				
<u>Over Expenditures</u>	(40,016)	168,745	160,643	(8,102)
<u>Fund Balance at Beginning of Year</u>	<u>3,717,402</u>	<u>3,717,402</u>	<u>3,717,402</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 3,677,386</u>	<u>\$ 3,886,147</u>	<u>\$ 3,878,045</u>	<u>\$ (8,102)</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
SOLID WASTE DISPOSAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Taxes				
1/2 Cent Sales Tax	\$ 3,700,000	\$ 3,600,000	\$ 3,636,989	\$ 36,989
Fees, Charges & Commission for Services	120,000	105,000	115,024	10,024
Use of Money and Property, Interest Earnings and Rent	150	5	1,781	1,776
Total Revenues	<u>3,820,150</u>	<u>3,705,005</u>	<u>3,753,794</u>	<u>48,789</u>
<u>Expenditures (Outflows):</u>				
Public Works	<u>3,820,150</u>	<u>3,705,005</u>	<u>3,069,346</u>	<u>635,659</u>
Total Expenditures	<u>3,820,150</u>	<u>3,705,005</u>	<u>3,069,346</u>	<u>635,659</u>
<u>Excess of Revenues Over Expenditures</u>	-	-	684,448	684,448
<u>Other Financing Uses:</u>				
Transfers Out	646,994	664,728	684,448	19,720
<u>Fund Balance at Beginning of Year</u>	<u>50,755</u>	<u>50,755</u>	<u>50,755</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 697,749</u>	<u>\$ 715,483</u>	<u>\$ 50,755</u>	<u>\$ 704,168</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
SOLID WASTE DISPOSAL EQUIPMENT RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Use of Money and Property, Interest Earnings and Rent	\$ 70,000	\$ 36,000	\$ 29,332	\$ (6,668)
Total Revenues	70,000	36,000	29,332	(6,668)
<u>Expenditures (Outflows):</u>				
Public Works	45,500	1,260,800	1,260,800	-
Capital Outlay	-	-	-	-
Total Expenditures	45,500	1,260,800	1,260,800	-
<u>Excess (Deficiency) of Revenues Over Expenditures</u>	24,500	(1,224,800)	(1,231,468)	(6,668)
<u>Other Financing Uses:</u>				
Transfers In	-	-	-	-
Transfers Out	(24,500)	(739,200)	(739,200)	-
Total Other Financing Sources	(24,500)	(739,200)	(739,200)	-
<u>Fund Balance at Beginning of Year (Restated)</u>	4,992,226	4,992,226	4,992,226	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 4,992,226</u>	<u>\$ 3,028,226</u>	<u>\$ 3,021,558</u>	<u>\$ (6,668)</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
BUDGETARY COMPARISON SCHEDULE -
HOSPITAL PROCEEDS FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Use of Money and Property, Interest Earnings and Rent	\$ 171,325	\$ 167,253	\$ 178,315	\$ 11,062
Total Revenues	171,325	167,253	178,315	11,062
<u>Expenditures (Outflows):</u>				
Health and Welfare	67,530	62,730	45,344	17,386
<u>Excess of Revenues Over Expenditures</u>	103,795	104,523	132,971	28,448
<u>Other Financing Uses</u>				
Operating Transfers Out	(103,795)	(104,523)	(132,971)	(28,448)
<u>Fund Balance at Beginning of Year</u>	10,000,000	10,000,000	10,000,000	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ -</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2012, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances</u> <u>(Unfavorable)</u>
General Fund			
Public Safety	\$ 232,518	\$ 252,434	\$(19,916)
Capital Outlay	\$ -	\$ 145,114	\$(145,114)
Solid Waste Disposal Reserve			
Interest Earnings & Rent	\$ 36,000	\$ 29,332	\$(6,668)
Hospital Proceeds Fund			
Operating Transfers Out	\$ 104,523	\$ 132,971	\$(28,448)

OTHER SUPPLEMENTAL INFORMATION

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2012

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, 2012

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
DECEMBER 31, 2012

	Special Road Fund	Solid Waste Collection Fund	Solid Waste Recycling Fund	Solid Waste Collection Equipment Reserve Fund	Criminal Court Fund
Assets:					
Cash and Cash Equivalents	\$ -	\$ 578,993	\$ 6,238	\$ 1,520,330	\$ 19,027
Investments	782,337	1,019,295	-	1,661,497	-
Receivables	43,724	58,181	-	775	19,964
Due From Other Governments	790	-	-	214	-
Due From Other Funds	2,980	57,504	149	-	4,710
TOTAL ASSETS	\$ 829,831	\$ 1,713,973	\$ 6,387	\$ 3,182,816	\$ 43,701
Liabilities and Fund Equity:					
Liabilities:					
Accounts Payable	\$ 488	\$ 1,191	\$ -	\$ -	\$ 25,356
Due to Other Funds	581,189	-	-	-	18,345
Total Liabilities	581,677	1,191	-	-	43,701
Fund Equity:					
Fund Balances:					
Restricted	-	-	-	-	-
Assigned	248,154	1,712,782	6,387	3,182,816	-
Unassigned	-	-	-	-	-
Total Fund Equity	248,154	1,712,782	6,387	3,182,816	-
TOTAL LIABILITIES AND FUND EQUITY	\$ 829,831	\$ 1,713,973	\$ 6,387	\$ 3,182,816	\$ 43,701

Law Enforcement Witness Fee Fund	Sewer Fund	Juvenile Assistance Fund	Health Unit Fund	Section 8 Housing Fund	Sewer Fund Equipment Replacement	
\$ 208	\$ 91,215	\$ 2,911	\$ 86,580	\$ 432,901	\$ 199,676	
-	-	-	-	-	-	
537	7,369	-	-	501	40,000	
-	-	-	-	-	-	C
-	-	-	37,000	-	-	
<u>\$ 745</u>	<u>\$ 98,584</u>	<u>\$ 2,911</u>	<u>\$ 123,580</u>	<u>\$ 433,402</u>	<u>\$ 239,676</u>	O
						N
\$ 100	\$ 777	\$ -	\$ -	\$ -	\$ 111,963	T
4,760	-	-	84,732	-	-	I
4,860	777	-	84,732	-	111,963	N
						U
-	-	-	-	433,402	-	E
(4,115)	97,807	2,911	38,848	-	127,713	
-	-	-	-	-	-	D
<u>(4,115)</u>	<u>97,807</u>	<u>2,911</u>	<u>38,848</u>	<u>433,402</u>	<u>127,713</u>	
<u>\$ 745</u>	<u>\$ 98,584</u>	<u>\$ 2,911</u>	<u>\$ 123,580</u>	<u>\$ 433,402</u>	<u>\$ 239,676</u>	

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012

	<u>Mosquito Control Fund</u>	<u>Totals</u>
Assets:		
Cash and Cash Equivalents	\$ -	\$ 2,938,079
Investments	-	3,463,129
Receivables	-	171,051
Due From Other Governments	-	1,004
Due From Other Funds	25,000	127,343
	25,000	127,343
TOTAL ASSETS	\$ 25,000	\$ 6,700,606
Liabilities and Fund Equity:		
Liabilities:		
Accounts Payable	\$ -	\$ 139,875
Due to Other Funds	25,000	714,026
	25,000	714,026
Total Liabilities	25,000	853,901
Fund Equity:		
Fund Balances:		
Restricted	-	433,402
Assigned	-	5,413,303
Unassigned	-	-
	-	-
Total Fund Equity	-	5,846,705
TOTAL LIABILITIES AND FUND EQUITY	\$ 25,000	\$ 6,700,606

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, 2012

	Special Road Fund	Solid Waste Collection Fund	Solid Waste Recycling Fund	Solid Waste Collection Equipment Reserve Fund	Criminal Court Fund
Revenues:					
Intergovernmental Revenues:					
Federal Funds:					
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -
State Funds:					
Parish Transportation Funds	498,719	-	-	-	-
Grants - Other Local Agencies	-	-	-	-	-
Fees, Charges and Commission for Services	-	82,023	28,171	-	49,587
Fines and Forfeitures	-	-	-	-	295,859
Use of Money and Property					
Interest Earnings and Rents	15,042	6,129	38	16,118	48
Other Revenues	-	-	-	-	-
Total Revenues	513,761	88,152	28,209	16,118	345,494
Expenditures:					
General Government:					
Judicial	-	-	-	-	345,494
Public Works	364,568	682,978	59,377	-	-
Health and welfare	-	-	-	-	-
Capital Outlay	188,717	-	-	-	-
Total Expenditures	553,285	682,978	59,377	-	345,494
Excess (Deficiency) of Revenues Over Expenditures	(39,524)	(594,826)	(31,168)	16,118	-
Other Financing Sources (Uses):					
Operating Transfers In	-	684,448	-	739,200	-
Operating Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	684,448	-	739,200	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(39,524)	89,622	(31,168)	755,318	-
Fund Balances, Beginning	287,678	1,623,160	37,555	2,427,498	-
Fund Balances, Ending	\$ 248,154	\$ 1,712,782	\$ 6,387	\$ 3,182,816	\$ -

Law Enforcement Witness Fee Fund	Sewer Fund	Juvenile Assistance Fund	Health Unit Fund	Section 8 Housing Fund	Sewer Fund Equipment Replacement
\$ -	\$ -	\$ -	\$ -	\$ 433,583	\$ -
-	-	-	-	-	-
-	-	32,236	5,000	-	-
7,836	85,642	-	-	-	-
-	-	-	-	-	-
1	134	11	-	58	307
-	-	-	-	-	40,000
<u>7,837</u>	<u>85,776</u>	<u>32,247</u>	<u>5,000</u>	<u>433,641</u>	<u>40,307</u>
7,900	-	32,136	-	-	-
-	74,684	-	-	-	-
-	-	-	14,900	488,901	-
-	-	-	10,473	-	111,963
<u>7,900</u>	<u>74,684</u>	<u>32,136</u>	<u>25,373</u>	<u>488,901</u>	<u>111,963</u>
(63)	11,092	111	(20,373)	(55,260)	(71,656)
-	-	-	18,500	-	-
-	-	-	-	-	-
-	-	-	18,500	-	-
(63)	11,092	111	(1,873)	(55,260)	(71,656)
(4,052)	86,715	2,800	40,721	488,662	199,369
<u>\$ (4,115)</u>	<u>\$ 97,807</u>	<u>\$ 2,911</u>	<u>\$ 38,848</u>	<u>\$ 433,402</u>	<u>\$ 127,713</u>

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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, 2012

	<u>Mosquito Control Fund</u>	<u>Totals</u>
Revenues:		
Intergovernmental Revenues:		
Federal Funds:		
Federal Grants	\$ -	\$ 433,583
State Funds:		
Parish Transportation Funds	-	498,719
Grants - Other Local Agencies	-	37,236
Fees, Charges and Commission for Services	-	253,259
Fines and Forfeitures	-	295,859
Use of Money and Property		
Interest Earnings and Rents	-	37,886
Other Revenues	-	40,000
Total Revenues	-	1,596,542
Expenditures:		
General Government:		
Judicial	-	385,530
Public Works	-	1,181,607
Health and welfare	-	503,801
Capital Outlay	-	311,153
Total Expenditures	-	2,382,091
Excess (Deficiency) of Revenues Over Expenditures	-	(785,549)
Other Financing Sources (Uses):		
Operating Transfers In	-	1,442,148
Operating Transfers Out	-	-
Total Other Financing Sources (Uses)	-	1,442,148
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	656,599
Fund Balances, Beginning (Restated)	-	5,190,106
Fund Balances, Ending	\$ -	\$ 5,846,705

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2012

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.

Mt. Olive Water Well CDBG Fund

The Mt. Olive Water Well CDBG Fund is used to account for Community Development Block Grant funds from the Louisiana Office of Community Development to construct a water well for the Mt. Olive community.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
DECEMBER 31, 2012

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Fund
Assets:				
Cash and Cash Equivalents	\$ 169,838	\$ 748,892	\$ 16,018	\$ 254,425
Investments	18,093	-	-	-
Receivables	17,532	-	15,907	5,259
Due From Other Funds	1,462	708,117	48	351,618
TOTAL ASSETS	\$ 206,925	\$ 1,457,009	\$ 31,973	\$ 611,302
Liabilities and Fund Equity:				
Liabilities:				
Accounts Payable	\$ 11,356	\$ -	\$ 9,342	\$ -
Due to Other Funds	845	14,841	22,162	-
Total Liabilities	12,201	14,841	31,504	-
Fund Equity:				
Fund Balances:				
Assigned	194,724	1,442,168	469	611,302
Total Fund Equity	194,724	1,442,168	469	611,302
TOTAL LIABILITIES AND FUND EQUITY	\$ 206,925	\$ 1,457,009	\$ 31,973	\$ 611,302

Mt. Olive Water Well CDBG Fund	Totals
\$ -	\$ 1,189,173
-	18,093
-	38,698
-	1,061,245
-	\$ 2,307,209
\$ -	\$ 20,698
-	37,848
-	58,546
-	2,248,663
-	2,248,663
\$ -	\$ 2,307,209

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NONMAJOR CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Fund
Revenues:				
Grants	\$ -	\$ -	\$ 8,519	\$ -
Other Taxes, Penalties and Interest, etc.	99,564	-	-	-
Use of Money and Property -				
Interest and Rent	-	2,801	21,862	-
Sale of Assets	-	94,500	-	-
Fees and Charges	226,821	-	57,036	-
Total Revenues	326,385	97,301	87,417	-
Expenditures:				
Operating Services:				
Culture and Recreation	315,637	-	90,595	-
Capital Outlay	40,194	75,478	-	60,281
Total Expenditures	355,831	75,478	90,595	60,281
Excess (Deficiency) of Revenues Over Expenditures	(29,446)	21,823	(3,178)	(60,281)
Other Financing Sources (Uses):				
Operating Transfers In	50,000	100,000	-	114,472
Operating Transfers (Out)	-	-	-	-
Total Other Financing Sources (Uses)	50,000	100,000	-	114,472
Excess (Deficiency) of Revenues and Other and Other Sources Over Expenditures and Other Uses	20,554	121,823	(3,178)	54,191
Fund Balance, Beginning (Restated)	174,170	1,320,345	3,647	557,111
Fund Balance, Ending	\$ 194,724	\$ 1,442,168	\$ 469	\$ 611,302

Mt. Olive Water Well CDBG Fund	Totals
\$ 339,880	\$ 348,399
-	99,564
-	24,663
-	94,500
-	283,857
<u>339,880</u>	<u>850,983</u>
-	406,232
<u>339,880</u>	<u>515,833</u>
<u>339,880</u>	<u>922,065</u>
-	<u>(71,082)</u>
-	264,472
-	-
<u>-</u>	<u>264,472</u>
-	193,390
-	2,055,273
<u>\$ -</u>	<u>\$ 2,248,663</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012

	<u>Library Bond Sinking Fund</u>	<u>LPPJ Complex II Bond Sinking Fund</u>	<u>Total</u>
ASSETS			
Cash	\$ 344,834	\$ 97,699	\$ 442,533
Accounts Receivable	446,032	1,208	447,240
TOTAL ASSETS	<u>\$ 790,866</u>	<u>\$ 98,907</u>	<u>\$ 889,773</u>
LIABILITIES			
Liabilities	\$ -	\$ -	\$ -
FUND BALANCE			
Assigned	<u>790,866</u>	<u>98,907</u>	<u>889,773</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 790,866</u>	<u>\$ 98,907</u>	<u>\$ 889,773</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012

	Library Bond Sinking Fund	LPPJ Complex II Bond Sinking Fund	Total
Revenues:			
Taxes:			
Ad Valorem	\$ 453,757	\$ -	\$ 453,757
Rent Income	-	207,289	207,289
Use of Money and Property			
Interest Earnings	510	165	675
Total Revenues	<u>454,267</u>	<u>207,454</u>	<u>661,721</u>
Expenditures:			
Principal Payments	295,000	130,000	425,000
Interest Payments	102,904	55,028	157,932
Total Expenditures	<u>397,904</u>	<u>185,028</u>	<u>582,932</u>
Excess (Deficiency) of Revenues Over Expenditures	56,363	22,426	78,789
Other Financing Sources			
Transfer In	-	-	-
Excess of Revenues and Other Sources over Expenditures	56,363	22,426	78,789
Fund Balance, Beginning (Restated)	<u>734,503</u>	<u>76,481</u>	<u>810,984</u>
Fund Balance, Ending	<u>\$ 790,866</u>	<u>\$ 98,907</u>	<u>\$ 889,773</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF COMPENSATION PAID POLICE JURORS
FOR THE YEAR ENDED DECEMBER 31, 2012

POLICE JURORS:

Backus, Joe C.	10,500
Bennett, Bobby	10,500
Brown, Annie	254
Franklin, Albert	254
Glover, Roy	254
Hammons, Charles	10,500
Henderson, Joseph	10,500
Hunter, Hazel	10,500
Mayfield, Sharyon	10,500
Mays, Robert	254
Pullen, Walter D.	10,246
Roberson, Randy C.	10,246
Russell, R.G. "Skip"	10,500
Walker, Ronnie L.	10,246
Wilson, Nancy A.	10,246
Wyatt, Theresa	11,700
Total	<u>\$ 127,200</u>

OTHER SUPPLEMENTAL INFORMATION –
GRANT INFORMATION

WILLIAM R. HULSEY

MEMBER
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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

I 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, 2012, and the related notes to the financial statements, which collectively comprise the Police Jury's primary government financial statements, and have issued my report thereon dated May 24, 2013.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I 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 my 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, I 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, detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Police Jury'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.

My 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Lincoln Parish Police Jury
Ruston, Louisiana

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.

This report is intended for the use of management of the Lincoln Parish Police Jury and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. 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



May 24, 2013

MEMBER
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Lincoln Parish Police Jury
Ruston, Louisiana

Report on Compliance for Each Major Federal Program

I have audited the Lincoln Parish Police Jury's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Police Jury's major federal programs for the year ended December 31, 2012. The Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Police Jury's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Police Jury's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the Police Jury's compliance.

Opinion on Each Major Federal Program

In my opinion, the Lincoln Parish Police Jury complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Lincoln Parish Police Jury
Ruston, Louisiana

Report on Internal Control Over Compliance

Management of the Lincoln Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Police Jury's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine that auditing procedures that are appropriate in the circumstances for the purposes of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Police Jury's internal control over compliance.

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

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

This report is intended for the use of management of the Lincoln Parish Police Jury and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. 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



May 24, 2013

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

SUMMARY OF AUDIT RESULTS

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

1. An unqualified opinion was issued on the primary government financial statements of the Lincoln Parish Police Jury as of and for the year ended December 31, 2012.
2. The audit disclosed no significant deficiencies in internal control.
3. The audit disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.
4. The audit did not disclose a significant deficiency in internal control over major programs.
5. An unqualified opinion was issued on compliance for major programs.
6. Audit findings that are required to be reported in accordance with Sections 510(a) of OMB Circular A-133 are reported in this schedule.
7. The following programs were considered major for the year ended December 31, 2012:
 - Low Income Housing Assistance Program (CFDA #14.871)
 - Community Development Block Grant (CFDA #14.228)
8. \$300,000 was the threshold used to distinguish Type A from Type B programs.
9. The Lincoln Parish Police Jury did not qualify as a low-risk auditee.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

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

FINDINGS – FINANCIAL STATEMENT AUDIT

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

Source of Federal Assistance/ Agency Name(s)	Federal CFDA Number	Agency or Pass- Through Number	Expenditures
United States Department of Housing and Urban Development			
Public Indian Housing HAP - Vouchers	14.871	LA212	\$ 426,237 *
Office of Community Planning and Development Community Development Block Grant	14.228	698950	339,880 *
United States Department of Energy			
State Energy Program Energy Efficiency and Conservation Block Grant	81.128	EEA-1030	253,939
United States Department of Homeland Security			
Emergency Management Performance Grant 2012	97.042	2012-EP-00042	16,315
Emergency Management Performance Grant 2011	97.042	2011-EP-E0-0058	21,973
Total			<u>38,288</u>
State Homeland Security Program 2011	97.067	2011-SS-00124-S01	49,805
State Homeland Security Program 2010	97.067	2010-SS-T0-0043	84,408
Citizens Corps Program 2011	97.067	2011-SS-00124-S01	2,658
Citizens Corps Program 2010	97.067	2010-SS-T0-0043	1,911
Total			<u>138,782</u>
Total United States Department of Homeland Security			177,070
Total Expenditures of Federal Awards			<u><u>\$ 1,197,126</u></u>

*Major Federal Financial Assistance Program
See accompanying notes to Schedule of Expenditures of Federal Awards.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. General

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

2. Basis of Accounting

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2012

Internal Control and Compliance Material to Federal Awards

There were no findings for this category.

Internal Control and Compliance Material to the Financial Statements

11-1 Incomplete Budgets

Condition:

During the 2010 Louisiana Legislative regular session, requirements were added to the state budget law effective January 1, 2011, that required a budget message and a side-by-side detailed comparison of information for the current year, year-to-date actual receipts and revenues received and estimates of all receipts and revenues to be received the remainder of the year; estimated and actual revenues itemized by source; year-to-date actual expenditures and estimates of all expenditures to be made the remainder of the year itemized by agency, department, function, and character; and the percentage change for each item of information. These items were not in the 2011-2012 proposed budget as required.

Recommendation:

I recommend that when the Jury adopts its next year's budget that these items also be included with the budget report.

Current Status:

The Jury is in compliance with the current state budget law.

Management Letter

There were no findings for this category.