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LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1995

~~PARISH CLERK OF COURT~~

LSA-RS 24:516 provides that this report shall be available for public inspection for a period of not less than one year from the date of receipt.

Legislative Auditor

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995

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Hulseley, Harwood & Hulseley

A Professional Accounting Corporation

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Lincoln Parish Communications District
Ruston, Louisiana

We have audited the accompanying general purpose financial statements of the Lincoln Parish Communications District as of and for the year ended December 31, 1995, as listed on the contents page. These general purpose financial statements are the responsibility of the Communication District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

HULSELEY, HARWOOD & HULSELEY, CPA's
A Professional Accounting Corporation

March 22, 1996

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1995

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>General Fixed Assets Account Group</u>	<u>Totals (Memo- randum Only)</u>
Assets:				
Cash and cash equivalents (Note 1)	\$ 132,149	\$ 108,023	\$ -	\$ 240,172
Investments	-	213,272	-	213,272
Receivables (User fees)	14,058	-	-	14,058
Prepaid expense	1,192	-	-	1,192
General fixed assets	<u>-</u>	<u>-</u>	<u>52,325</u>	<u>52,325</u>
TOTAL ASSETS	<u>\$ 147,399</u>	<u>\$ 321,295</u>	<u>\$ 52,325</u>	<u>\$ 521,019</u>
Liabilities and Fund Equity:				
Liabilities:				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Equity:				
Fund balances:				
Investment in general fixed assets	-	-	52,325	52,325
Reserve for equipment replacement	-	321,295	-	321,295
Unreserved:				
Undesignated	<u>147,399</u>	<u>-</u>	<u>-</u>	<u>147,399</u>
Total fund equity	<u>147,399</u>	<u>321,295</u>	<u>52,325</u>	<u>521,019</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 147,399</u>	<u>\$ 321,295</u>	<u>\$ 52,325</u>	<u>\$ 521,019</u>

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1995

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Totals (Memo- randum Only)</u>
Revenues:			
User fees	\$ 166,395	\$ -	\$ 166,395
Interest	<u>5,795</u>	<u>14,734</u>	<u>20,529</u>
Total revenues	<u>172,190</u>	<u>14,734</u>	<u>186,924</u>
Expenditures:			
Public safety:			
Professional services	19,961	-	19,961
Office and postage	2,059	-	2,059
Telephone	71,754	-	71,754
GIS Mapping	19,804	-	19,804
Capital outlay	<u>745</u>	<u>-</u>	<u>745</u>
Total expenditures	<u>114,323</u>	<u>-</u>	<u>114,323</u>
Excess (deficiency) of revenues over expenditures	<u>57,867</u>	<u>14,734</u>	<u>72,601</u>
Other financing sources (uses):			
Operating transfers in	-	90,945	90,945
Operating transfers out	<u>(90,945)</u>	<u>-</u>	<u>(90,945)</u>
Total other financing sources (uses)	<u>(90,945)</u>	<u>90,945</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(33,078)</u>	<u>105,679</u>	<u>72,601</u>
Fund balance, beginning	180,477	215,000	395,477
Prior year adjustments	<u>-</u>	<u>616</u>	<u>616</u>
Fund balance, ending	<u>\$ 147,399</u>	<u>\$ 321,295</u>	<u>\$ 468,694</u>

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
User fees	\$ 158,000	\$ 166,395	\$ 8,395
Interest	<u>5,000</u>	<u>5,795</u>	<u>795</u>
Total revenues	<u>163,000</u>	<u>172,190</u>	<u>9,190</u>
Expenditures:			
Public Safety:			
Travel	1,000	-	1,000
Professional services	20,000	19,961	39
Office and postage	2,500	2,059	441
Telephone	71,000	71,754	(754)
GIS mapping	20,000	19,804	196
Capital outlay	<u>5,000</u>	<u>745</u>	<u>4,255</u>
Total expenditures	<u>119,500</u>	<u>114,323</u>	<u>5,177</u>
Excess of revenues over expenditures	<u>43,500</u>	<u>57,867</u>	<u>14,367</u>
Other financing sources (uses):			
Operating transfers out	<u>(90,945)</u>	<u>(90,945)</u>	<u>-</u>
Total other financing sources (uses)	<u>(90,945)</u>	<u>(90,945)</u>	<u>-</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	<u>\$ (47,445)</u>	<u>(33,078)</u>	<u>\$ 14,367</u>
Fund balance, beginning		<u>180,477</u>	
Fund balance - ending		<u>\$ 147,399</u>	

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL
SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 6,462	\$ 14,734	\$ 8,272
Excess of revenues over expenditures	<u>6,462</u>	<u>14,734</u>	<u>8,272</u>
Other financing sources (uses):			
Operating transfers in	<u>90,945</u>	<u>90,945</u>	<u>-</u>
Total other financing sources (uses)	<u>90,945</u>	<u>90,945</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ 97,407</u>	105,679	<u>\$ 8,272</u>
Fund balance, beginning		215,000	
Prior period adjustment		<u>616</u>	
Fund balance, ending		<u>\$ 321,295</u>	

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lincoln Parish Communications District (the "District") was created by Ordinance 85-88-(2) adopted by the Police Jury of Lincoln Parish on August 23, 1988. The governing body of the District consists of a seven member Board of Commissioners.

The accounting policies of Lincoln Parish Communications District conform to generally accepted accounting principles as applicable to governments.

The following is a summary of the more significant policies:

Financial Reporting Entity

This report includes the funds and account group which are controlled by the Board of Commissioners. The accompanying financial statements are intended to present the financial position and results of operations of only the transactions of the District.

Fund Accounting

The accounts of the Lincoln Parish Communications District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The fund and account group presented in the financial statements are described as follows:

Governmental Fund Types

General Fund

The General Fund is the general operating fund for the Lincoln Parish Communications District. It is used to account for all financial sources and uses of the Communications District, except those required to be accounted for in other funds.

Special Revenue Fund

The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Fund (Continued)

The equipment replacement fund was established in 1994 to account for funds to replace equipment.

Fixed Assets

The fixed assets used in governmental fund type operations of the District are accounted for in the General Fixed Assets Account Group, rather than in the governmental funds. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if historical is not available.

The account group is not a "fund." Its purpose is to measure financial position, not results of operations.

Memorandum Only - Total Columns

The total column on the Combined Statement is captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in aggregation of this data.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The records of the Lincoln Parish Communications District are accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred.

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

The budget for the General Fund is proposed by the Director and formally adopted by the Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles (GAAP). Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Commissioners. At year end, all appropriations lapse.

Encumbrances

Encumbrance accounting, whereby outstanding purchase commitments are recorded, is not employed by the District.

Cash and Cash Equivalents

Louisiana statutes permit the District to invest in United States' bonds, treasury notes, or certificates, or other obligations of the U.S. Government and agencies of the U.S. Government which are federally insured, and certificates of deposit of state banks having their principal office in the State of Louisiana, or in mutual or trust fund institutions which are registered and which have underlying investments limited to securities of the U.S. Government or its agencies.

The District's policy is to include short-term interest bearing deposits with a maturity of three months or less as cash in the financial statements.

Valuation of Carrying Amounts of Deposits

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

Interfund Receivables and Payables

Due To and From Other Funds

Interfund receivables and payables arising from interfund transactions that are to be repaid in the next accounting cycle are recorded by all funds affected in the period in which transactions are executed. Interfund receivables and payables are not eliminated on the combined balance sheet.

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

Quasi-external transactions are accounted for as revenue and expenditures. Transactions that constitute reimbursements to a fund are recorded as expenditures in the reimbursing fund and as reduction of expenditures in the fund that is reimbursed. All other interfund transactions that are not to be repaid are recorded as transfers.

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS

At year end, the carrying amount (book amount) of the Communications District's deposits was \$240,172, while the bank balance was \$250,761. The bank balance is categorized as follows:

Amount insured by FDIC	\$ 100,000
Amount collateralized with securities held by the pledging financial institution's agent in the Communications District's name	<u>150,761</u>
Total bank balance	<u>\$ 250,761</u>

NOTE 3 - INVESTMENTS

Investing is performed in accordance with investment policies complying with state statutes and the District's charter. The investments of the District are categorized to give an indication of the level of risk assumed by the District at December 31, 1995. The categories are described as follows:

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 3 - INVESTMENTS (Continued)

Investments categorized by level of risk, are:

Types of Investments	Category			Carrying Amount	Fair Value
	1	2	3		
Mortgage Backed Securities	\$ 69,148	\$ -	\$ -	\$ 69,148	\$ 74,601
U.S. Government Securities	<u>144,124</u>	<u>-</u>	<u>-</u>	<u>144,124</u>	<u>146,396</u>
Total investments	<u>\$ 213,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,272</u>	<u>\$ 220,997</u>

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of the changes in the General Fixed Assets Account Group is as follows:

	Balance December 31, <u>1994</u>	<u>Additions</u>	Balance December 31, <u>1995</u>
Computers and accessories	\$ 17,084	\$ -	\$ 17,084
Communications equipment	34,130	745	34,875
Miscellaneous office equipment	<u>366</u>	<u>-</u>	<u>366</u>
Total	<u>\$ 51,580</u>	<u>\$ 745</u>	<u>\$ 52,325</u>

NOTE 5 - PRIOR PERIOD ADJUSTMENT

A prior period adjustment was recorded to reflect the amortization of the discount on bonds not recorded in the prior year in the amount of \$616.

NOTE 6 - LITIGATION

According to the Parish District Attorney, the District had no pending or threatened litigation as of December 31, 1995.

LINCOLN PARISH COMMUNICATIONS DISTRICT
 RUSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED DECEMBER 31, 1995

NOTE 7 - COMPENSATION FOR THE COMMISSION

The members of the Commission for the Lincoln Parish Communications District receive no compensation.

NOTE 8 - FEDERALLY ASSISTED PROGRAMS

The Lincoln Parish Communications District has no federally financial assisted programs, therefore, no schedule of federally assisted program activity has been presented in accordance with the Single Audit Act of 1984 and Office of Management and Budget Circular A-128, "Audits of State and Local Governments".

NOTE 9 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Variances

When comparing budget to actual amounts for the year ended December 31, 1995, the following governmental funds had variances of greater than 5.0%:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund - total revenues	\$ 163,000	\$ 172,190	\$ 9,190
Special Revenue Fund - total revenues	6,462	14,734	8,272

NOTE 10 - COMPENSATION FOR THE BOARD OF COMMISSIONERS

The members of the Board for the Communications District receive no compensation.



Hulseley, Harwood & Hulseley

A Professional Accounting Corporation

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT
CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Lincoln Parish Communications District
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish Communications District for the year ended December 31, 1995, and have issued our report thereon dated March 22, 1996.

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

In planning and performing our audit of the general purpose financial statements of the Lincoln Parish Communications District for the year ended December 31, 1995, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

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

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- Revenues/receipts
- Purchasing/disbursements
- Budgeting and budget reporting
- Property and equipment

For all of the internal control structure categories listed above, we obtained an understanding of the design and relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management, the Board of Commissioners, the Lincoln Parish Police Jury, and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

HULSEY, HARWOOD & HULSEY, CPA's
A Professional Accounting Corporation

March 22, 1996



Hulsey, Harwood & Hulsey

A Professional Accounting Corporation

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Lincoln Parish Communications District
Ruston, Louisiana

We have audited the general purpose financial statements of the Lincoln Parish Communications District as of and for the year ended December 31, 1995, and have issued our report thereon dated March 22, 1996.

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

Compliance with laws, regulations, contracts and grants applicable to the Lincoln Parish Communications District is the responsibility of the management of the Lincoln Parish Communications District. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests of compliance indicate that, with respect to the items tested, the Lincoln Parish Communications District complied, in all material respects, with the provisions referred to in the third paragraph of this report, and with respect to items not tested, nothing came to our attention that caused us to believe that the District had not complied, in all material respects, with those provisions.

This report is intended for the information of management, the Board of Commissioners, the Lincoln Parish Police Jury, and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

HULSEY, HARWOOD & HULSEY, CPA's
A Professional Accounting Corporation

March 22, 1996