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**LINCOLN PARISH COMMUNICATIONS DISTRICT  
LUSTON, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 1987**

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

Released Date JUL 02 1988

LINCOLN PARISH COMMUNICATIONS DISTRICT  
RUSTON, LOUISIANA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1997

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**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
Lincoln Parish Communications District  
Brazoria, Louisiana

I have audited the accompanying general purpose financial statements of the Lincoln Parish Communications District as of and for the year ended December 31, 1997, as listed on the contents page. These general purpose financial statements are the responsibility of the Communication District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

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

In my 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, 1997, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

**WILLIAM R. HULSEY**  
Certified Public Accountant

  
June 25, 1998

**LINCOLN PARISH COMMUNICATIONS DISTRICT  
RUSTON, LOUISIANA  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 1997**

	General Fund	Special Revenue Fund	General Fixed Assets Account Group	Totals (Misc- random Only)
<b>Assets:</b>				
Cash and cash equivalents (Note 1)	\$ 141,440	\$ 85,380	\$ -	\$ 226,770
Investments	-	353,935	-	353,935
Receivables (Misc Fund)	34,159	-	-	34,159
Prepaid expense	-	-	-	-
General fixed assets	-	-	89,593	89,593
<b>TOTAL ASSETS</b>	<b>\$ 175,639</b>	<b>\$ 439,315</b>	<b>\$ 89,593</b>	<b>\$ 694,547</b>
<b>Liabilities and Fund Equity:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 3,733	\$ -	\$ -	\$ 3,733
<b>Total liabilities</b>	<b>3,733</b>	<b>-</b>	<b>-</b>	<b>3,733</b>
<b>Fund Equity:</b>				
<b>Fund balances:</b>				
Investment in general fixed assets	-	-	89,593	89,593
Reserve for equipment replacement	-	419,265	-	419,265
Unreserved Undesignated	148,236	-	-	148,236
<b>Total fund equity</b>	<b>148,236</b>	<b>419,265</b>	<b>89,593</b>	<b>657,104</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 151,969</b>	<b>\$ 419,265</b>	<b>\$ 89,593</b>	<b>\$ 650,827</b>

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

LINCOLN PARISH COMMUNICATIONS DISTRICT  
 BOSTON, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES  
 FOR THE YEAR ENDED DECEMBER 31, 1997

	General Fund	Special Revenue Fund	Totals (Miscellaneous)
<b>Revenues:</b>			
Hour fees	\$ 173,534	\$ -	\$ 173,534
Interest	5,835	16,281	22,116
<b>Total revenues</b>	<u>179,371</u>	<u>16,281</u>	<u>195,652</u>
<b>Expenditures:</b>			
Public safety:			
Professional services	18,983	-	18,983
Office and postage	2,618	-	2,618
Telephone	75,118	-	75,118
GIS Mapping	20,000	-	20,000
Capital outlay	1,166	16,006	17,172
<b>Total expenditures</b>	<u>117,885</u>	<u>16,006</u>	<u>133,891</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>61,486</u>	<u>6,275</u>	<u>67,761</u>
<b>Other financing sources (uses):</b>			
Operating transfers in	-	60,500	60,500
Operating transfers out	( 60,500 )	-	( 60,500 )
<b>Total other financing sources (uses)</b>	<u>( 60,500 )</u>	<u>60,500</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>996</u>	<u>66,745</u>	<u>67,741</u>
<b>Fund balance, beginning</b>	143,250	152,538	295,788
<b>Prior year adjustments</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance, ending</b>	<u>\$ 144,246</u>	<u>\$ 419,283</u>	<u>\$ 563,529</u>

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

LINCOLN PARISH COMMUNICATIONS DISTRICT  
 BOSTON, LOUISIANA  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 1997

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
User fees	\$ 172,000	\$ 171,536	\$ 464
Interest	<u>6,000</u>	<u>5,835</u>	(165)
<b>Total revenues</b>	<u>178,000</u>	<u>177,371</u>	<u>(629)</u>
<b>Expenditures:</b>			
Public Safety:			
Professional services	18,800	18,983	(183)
Office and postage	2,500	2,638	(138)
Telephone	75,000	75,138	(138)
GIS mapping	20,000	20,000	-
Capital outlay	<u>1,200</u>	<u>1,168</u>	32
<b>Total expenditures</b>	<u>117,500</u>	<u>117,885</u>	<u>(385)</u>
<b>Excess of revenues over expenditures</b>	<u>60,500</u>	<u>61,486</u>	<u>986</u>
<b>Other financing sources (uses):</b>			
Operating transfer out	(60,500)	(60,500)	-
<b>Total other financing sources (uses)</b>	<u>(60,500)</u>	<u>(60,500)</u>	<u>-</u>
<b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses</b>	<u>\$ -</u>	<u>986</u>	<u>\$ 986</u>
<b>Fund balance, beginning</b>		<u>147,238</u>	
<b>Fund balance - ending</b>		<u>\$ 148,224</u>	

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

LINCOLN PARISH COMMUNICATIONS DISTRICT  
 BUSTON, LOUISIANA  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL  
 SPECIAL REVENUE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 1997

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ <u>17,000</u>	\$ <u>18,281</u>	\$ <u>1,281</u>
Expenditures:			
Capital outlay	<u>11,000</u>	<u>10,016</u>	<u>984</u>
Excess of revenues over expenditures	<u>6,000</u>	<u>8,265</u>	<u>2,265</u>
Other financing sources (uses):			
Opening transfers in	<u>60,500</u>	<u>60,500</u>	<u>-</u>
Total other financing sources (uses)	<u>60,500</u>	<u>60,500</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ 60,500</u>	<u>68,765</u>	<u>\$ 8,265</u>
Fund balance, beginning		312,520	
Prior period adjustment:		<u>-</u>	
Fund balance, ending		<u>\$ 418,305</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, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Lincoln Parish Communications District (the "District") was created by Ordinance 80-88-02 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  
BUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 1997

**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 domains 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 Column**

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  
BUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Budgets and Budgetary Accounting**

The budget for the General Fund is prepared 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  
BUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 1997

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Interfund Transactions**

Quasi-integral 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 \$226,779, while the bank balance was \$237,118. The bank balance is categorized as follows:

Amount insured by FDIC	\$ 108,800
Amount collateralized with securities held by the pledging financial institution's agent in the Communications District's name	____137,118
Total bank balance	\$ ____237,118

**NOTE 3 - INVESTMENTS**

Investing is performed in accordance with investment policies complying with state statutes and the District's charters. The investments of the District are categorized to give an indication of the level of risk assumed by the District at December 31, 1997. 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, 1997**

**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	\$ 111,031	\$ -	\$ -	\$ 111,031	\$ 118,474
U.S. Government Securities	<u>227,904</u>	<u>-</u>	<u>-</u>	<u>227,904</u>	<u>231,278</u>
Total Investments	<u>\$ 338,935</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 338,935</u>	<u>\$ 349,752</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, 1996	Additions	Balance December 31, 1997
Computers and accessories	\$ 19,724	\$ -	\$ 19,724
Communications equipment	68,503	-	68,503
Miscellaneous office equipment	<u>360</u>	<u>-</u>	<u>360</u>
Total	<u>\$ 88,587</u>	<u>\$ -</u>	<u>\$ 88,587</u>

**NOTE 5 - LITIGATION**

According to the Parish District Attorney, the District had no pending or threatened litigation as of December 31, 1997.

**NOTE 6 - COMPENSATION FOR THE COMMISSION**

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

LINCOLN PARISH COMMUNICATIONS DISTRICT  
RUSTON, LOUISIANA  
NOTE TO FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 1997

**NOTE 7 - 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 Office of Management and Budget Circular A-133, *Audit of State and Local Governments*.

**NOTE 8 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budget/Actual Variances**

When comparing budget to actual amounts for the year-ended December 31, 1997, there were no governmental funds that had variances of greater than 5.0%.

**NOTE 9 - COMPENSATION FOR THE BOARD OF COMMISSIONERS**

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

**WILLIAM R. HULSEY**  
CERTIFIED PUBLIC ACCOUNTANT  
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
Lincoln Parish Communications District  
Baton Rouge, Louisiana

I have audited the financial statements of Lincoln Parish Communications District, as of and for the year ended December 31, 1997, and have issued my report thereon dated June 25, 1998. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether Lincoln Parish Communications District financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered Lincoln Parish Communications District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of management, the Board of Commissioners, the Louisiana 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.

WILLIAM R. HULSEY  
Certified Public Accountant



June 25, 1998