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LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1999

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

Release Date JUL 26 2000

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1999

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MEMBER
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INDEPENDENT AUDITOR'S REPORT

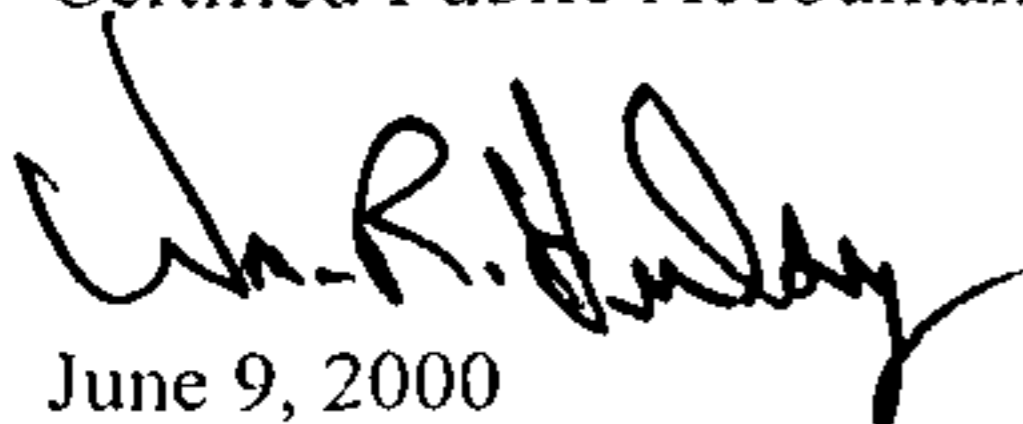
Board of Commissioners
Lincoln Parish Communications District
Ruston, Louisiana

I have audited the accompanying general purpose financial statements of the Lincoln Parish Communications District as of and for the year ended December 31, 1999, 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, 1999, 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 9, 2000

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

	<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	\$ 149,640	\$ 95,243	\$ -	\$ 244,883
Investments	-	466,775	-	466,775
Receivables (User fees)	868	-	-	868
Prepaid expense	8,544	-	-	8,544
General fixed assets	<u>-</u>	<u>-</u>	<u>98,378</u>	<u>98,378</u>
TOTAL ASSETS	<u>\$ 159,052</u>	<u>\$ 562,018</u>	<u>\$ 98,378</u>	<u>\$ 819,448</u>
Liabilities and Fund Equity:				
Liabilities:				
Accounts payable	<u>\$ 4,654</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,654</u>
Total liabilities	<u>4,654</u>	<u>-</u>	<u>-</u>	<u>4,654</u>
Fund Equity:				
Fund balances:				
Investment in general fixed assets	-	-	98,378	98,378
Reserve for equipment replacement	-	-	-	-
Unreserved:				
Undesignated	<u>154,398</u>	<u>562,018</u>	<u>-</u>	<u>716,416</u>
Total fund equity	<u>154,398</u>	<u>562,018</u>	<u>98,378</u>	<u>814,794</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 159,052</u>	<u>\$ 562,018</u>	<u>\$ 98,378</u>	<u>\$ 819,448</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, 1999

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Totals (Memo- randum Only)</u>
Revenues:			
User fees	\$ 186,362	\$ -	\$ 186,362
Interest	<u>8,138</u>	<u>21,993</u>	<u>30,131</u>
Total revenues	<u>194,500</u>	<u>21,993</u>	<u>216,493</u>
Expenditures:			
Public safety:			
Professional services	29,391	-	29,391
Office and postage	1,651	-	1,651
Telephone	77,314	-	77,314
GIS Mapping	20,000	-	20,000
Equipment maintenance	8,880	-	8,880
Capital outlay	<u>8,065</u>	<u>-</u>	<u>8,065</u>
Total expenditures	<u>145,301</u>	<u>-</u>	<u>145,301</u>
Excess (deficiency) of revenues over expenditures	<u>49,199</u>	<u>21,993</u>	<u>71,192</u>
Other financing sources (uses):			
Operating transfers in	-	49,199	49,199
Operating transfers out	<u>(49,199)</u>	<u>-</u>	<u>(49,199)</u>
Total other financing sources (uses)	<u>(49,199)</u>	<u>49,199</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	71,192	71,192
Fund balance, beginning	154,398	490,826	645,224
Prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 154,398</u>	<u>\$ 562,018</u>	<u>\$ 716,416</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, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
User fees	\$ 185,000	\$ 186,362	\$ 1,362
Interest	<u>9,500</u>	<u>8,138</u>	<u>(1,362)</u>
Total revenues	<u>194,500</u>	<u>194,500</u>	<u>-</u>
Expenditures:			
Public Safety:			
Professional services	29,400	29,391	9
Office and postage	2,000	1,651	349
Telephone	77,500	77,314	186
GIS mapping	20,000	20,000	-
Equipment maintenance	9,700	8,880	820
Capital outlay	<u>8,065</u>	<u>8,065</u>	<u>-</u>
Total expenditures	<u>146,665</u>	<u>145,301</u>	<u>1,364</u>
Excess of revenues over expenditures	<u>47,835</u>	<u>49,199</u>	<u>1,364</u>
Other financing sources (uses):			
Operating transfers out	<u>(47,835)</u>	<u>(49,199)</u>	<u>(1,364)</u>
Total other financing sources (uses)	<u>(47,835)</u>	<u>(49,199)</u>	<u>(1,364)</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning		<u>154,398</u>	
Fund balance, ending		<u>\$ 154,398</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, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$ 20,000	\$ 21,993	\$ 1,993
Expenditures:			
Capital outlay	-	-	-
Excess of revenues over expenditures	<u>20,000</u>	<u>21,993</u>	<u>1,993</u>
Other financing sources (uses):			
Operating transfers in	<u>47,835</u>	<u>49,199</u>	<u>1,364</u>
Total other financing sources (uses)	<u>47,835</u>	<u>49,199</u>	<u>1,364</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 67,835</u>	71,192	<u>\$ 3,357</u>
Fund balance, beginning		490,826	
Prior period adjustment		<u>-</u>	
Fund balance, ending		<u>\$ 562,018</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, 1999

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 funds 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, 1999

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, 1999

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.

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, 1999

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.

Compensated Absences

The following annual and sick leave policies are in effect:

Employees accrue from five to fifteen days of annual and sick leave each year depending on years of service with the Communications District. Annual leave must be used in the year it is earned. Sick leave, up to a maximum of fifteen days, may be carried forward to the next year for major illnesses only. Upon separation, all unused sick leave lapses.

A provision for the compensated absences has been determined to be immaterial by the Communications District, therefore, no provision has been included in these component unit financial statements.

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS

At year end, the carrying amount (book amount) of the Communications District's deposits was \$244,883, while the bank balance was \$243,374. 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>143,374</u>
Total bank balance	<u>\$ 243,374</u>

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1999

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, 1999. 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.

Investments categorized by level of risk, are:

Types of Investments	1	Category 2	3	Carrying Amount	Fair Value
Mortgage Backed Securities	\$ 296,775	\$ -	\$ -	\$ 296,775	\$ 295,191
U.S. Government Securities	<u>170,000</u>	<u>-</u>	<u>-</u>	<u>170,000</u>	<u>165,494</u>
Total investments	<u>\$ 466,775</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 466,775</u>	<u>\$ 460,685</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>1998</u>	<u>Additions</u>	Balance December 31, <u>1999</u>
Computers and accessories	\$ 19,724	\$ -	\$ 19,724
Communications equipment	70,223	8,065	78,288
Miscellaneous office equipment	<u>366</u>	<u>-</u>	<u>366</u>
Total	<u>\$ 90,313</u>	<u>\$ 8,065</u>	<u>\$ 98,378</u>

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 5 - PENSION PLAN - PAROCHIAL RETIREMENT SYSTEM

Plan Description

The Parochial Employees' Retirement System, a Public Employee Retirement System, is a cost sharing multiple-employer plan that is governed by the Louisiana Revised Statutes, title II, Sections 1901 through 2015, specifically, and other general laws of the State of Louisiana.

Under the Parochial Retirement System, a member is eligible for normal retirement if he has at least 30 years of creditable service regardless of age or 25 years of creditable service and is at least 55 years old, or 10 years of creditable service and is at least 60 years old. The monthly retirement benefit is equal to three percent of the member's coverage monthly compensation for any 36 months of consecutive service in which compensation was highest, multiplied by years of creditable service, not to exceed 100% of member's final compensation. Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death under certain conditions are payable to the retiree's surviving spouse and minor children.

The District's payroll is included in the Lincoln Parish Police Jury, primary government, financial statements.

NOTE 6 - LITIGATION

According to the Parish District Attorney, the District had no pending or threatened litigation as of December 31, 1999.

NOTE 7 - COMPENSATION FOR THE BOARD OF 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 Office of Management and Budget Circular A-133, Audits of State and Local Governments.

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1999

NOTE 9 - DEFERRED COMPENSATION PLAN

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

The deferred compensation plan is administered by PEBSCO (Public Employee Benefit Service Corporation). Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the District, subject only to the claims of the District's general creditors. In addition, the participants in the plan have rights equal to those of the general creditors of the District, and each participant's rights are equal to his or her share of the fair market value of the plan assets. The District believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that may arise.

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

NOTE 10 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Variances

When comparing budget to actual amounts for the year ended December 31, 1999, there were no governmental funds that had unfavorable variances of greater than 5.0%.

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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
Ruston, Louisiana

I have audited the financial statements of Lincoln Parish Communications District, as of and for the year ended December 31, 1999, and have issued my report thereon dated June 9, 2000. 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

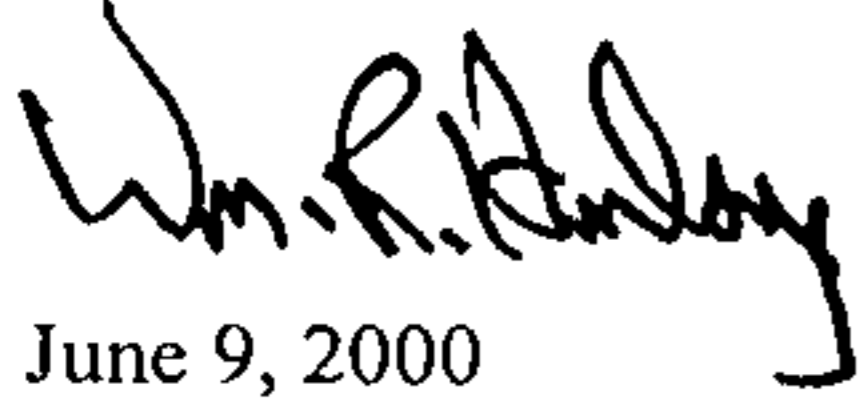
As part of obtaining reasonable assurance about whether Lincoln Parish Communications District financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and 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 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.

WILLIAM R. HULSEY
Certified Public Accountant



June 9, 2000