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MEMBER
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NEW ORLEANS DISTRICT
CERTIFIED PUBLIC ACCOUNTANTS

REGISTERED
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MONROE, LOUISIANA 70001
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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

I have audited the general purpose financial statements of the Lincoln Parish Communications District as of and for the year ended December 31, 1996, and have issued my report thereon dated June 3, 1997.

I conducted my 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 I 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, I performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions.

The results of my 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 my attention that caused me 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.

WILLIAM H. HULSEY
Certified Public Accountant


June 3, 1997

LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1996

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 Single Audit Act of 1984 and Office of Management and Budget Circular A-128, 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, 1996, 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
FOR THE STATE OF LOUISIANA
MONROE, LOUISIANA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
INDEPENDENT PUBLIC ACCOUNTANTS
SECTION OF LOUISIANA

MEMBER
STATE SOCIETY OF
ACCOUNTS, LOUISIANA, 1947
(1947 MEMBER)

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, 1996, as listed on the contents page. These general purpose financial statements are the responsibility of the Communications 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, 1996, 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 5, 1997

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LINCOLN PARISH COMMUNICATIONS DISTRICT
RUSTON, LOUISIANA
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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—2004-02-1999

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6.5
Paul King

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

- Revenues/tax receipts
- Purchasing/procurements
- Budgeting and budget reporting
- Property and equipment

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

My 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. I noted no matters involving the internal control structure and its operation that I 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.

WILLIAM R. HULSEY
Certified Public Accountant



June 3, 1997

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

	General Fund	Special Revenue Fund	General Fixed Assets Account Group	Totals (Non- com- muni- only)
Assets:				
Cash and cash equivalents (Note 1)	\$ 38,968	\$ 42,818	\$ -	\$ 81,786
Investments	94,861	109,682	-	204,543
Receivables (Other fund)	13,413	-	-	13,413
Prepaid expense	1,092	-	-	1,092
General fixed assets	-	-	89,593	89,593
TOTAL ASSETS	\$ 148,334	\$ 152,502	\$ 89,593	\$ 390,429
Liabilities and Fund Equity:				
Liabilities:				
Accounts payable	\$ 1,312	\$ -	\$ -	\$ 1,312
Total liabilities	1,312	-	-	1,312
Fund Equity:				
Fund balances:				
Investment in general				
Fixed assets	-	-	89,593	89,593
Reserve for equipment replacement	-	332,520	-	332,520
Unassigned	147,359	-	-	147,359
Total fund equity	147,359	332,520	89,593	569,472
TOTAL LIABILITIES AND FUND EQUITY	\$ 148,671	\$ 332,520	\$ 89,593	\$ 569,429

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
 BUSTON, LOUISIANA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>General Fund</u>	<u>Special Revenues Fund</u>	<u>Totals (Memo- randum Only)</u>
Revenues			
User fees	\$ 170,697	\$ -	\$ 170,697
Insurance	<u>39,004</u>	<u>26,472</u>	<u>65,476</u>
Total revenues	<u>209,701</u>	<u>26,472</u>	<u>236,173</u>
Expenditures			
Public safety:			
Professional services	18,900	-	18,900
Office and postage	3,131	-	3,131
Telephone	71,874	-	71,874
GIS Mapping	20,000	-	20,000
Capital outlay	<u>58,683</u>	<u>-</u>	<u>58,683</u>
Total expenditures	<u>172,588</u>	<u>-</u>	<u>172,588</u>
Excess (deficiency) of revenues over expenditures	<u>4,803</u>	<u>26,472</u>	<u>31,275</u>
Other financing sources (uses)			
Operating transfers in	-	4,750	4,750
Operating transfers out	<u>(4,750)</u>	<u>-</u>	<u>(4,750)</u>
Total other financing sources (uses)	<u>(4,750)</u>	<u>4,750</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	53	31,222	31,275
Fund balance, beginning	147,197	121,295	468,492
Prior year adjustments	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 147,250</u>	<u>\$ 152,517</u>	<u>\$ 499,767</u>

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
 KUSTOM, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 1996

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
User fees	\$ 170,480	\$ 170,197	\$(283)
Interest	10,000	10,000	-
Total revenues	<u>180,480</u>	<u>180,197</u>	<u>(283)</u>
Expenditures:			
Public Safety:			
Professional services	18,980	18,900	80
Office and postage	3,150	3,131	19
Telephone	73,000	73,874	(874)
GIS mapping	20,000	20,000	-
Capital outlay	59,750	59,693	57
Total expenditures	<u>175,880</u>	<u>175,598</u>	<u>282</u>
Excess of revenues over expenditures	<u>4,600</u>	<u>4,600</u>	<u>0</u>
Other financing sources (uses):			
Operating transfers in	(4,750)	(4,750)	-
Total other financing sources (uses)	<u>(4,750)</u>	<u>(4,750)</u>	<u>0</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balance, beginning		<u>147,182</u>	
Fund balance - ending		<u>\$ 147,182</u>	

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
BUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1996

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 those 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, 1990

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 columns 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 (unified 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 basis 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, 1996

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
BUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 1996

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 reductions 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 \$79,824, while the bank balance was \$156,973. 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>56,973</u>
Total bank balance	<u>\$ 156,973</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, 1996. 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.

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MEMBER
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**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
Bossier, Louisiana

I have audited the general purpose financial statements of the Lincoln Parish Communications District for the year ended December 31, 1996, and have issued my report thereon dated June 3, 1997.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements of the Lincoln Parish Communications District for the year ended December 31, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

The management of the Lincoln Parish Communications District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments 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 recorded 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 my 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.

LINCOLN PARISH COMMUNICATIONS DISTRICT
 BUSTON, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED DECEMBER 31, 1996

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	\$ 241,283	\$ -	\$ -	\$ 241,283	\$ 235,523
U.S. Government Securities	183,368	-	-	183,368	181,999
Total Investments	\$ 424,651	\$ -	\$ -	\$ 424,651	\$ 417,522

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

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

	Balance	Additions	Balance
	December 31, 1995		December 31, 1996
Computers and accessories	\$ 17,984	\$ 2,640	\$ 19,724
Communications equipment	34,873	34,528	69,503
Miscellaneous office equipment	368	-	368
Total	\$ 53,225	\$ 37,268	\$ 90,593

NOTE 5 - LITIGATION

According to the Parish District Attorney, the District had no pending or threatened litigation as of December 31, 1996.

NOTE 6 - COMPENSATION FOR THE COMMISSION

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
 BOSTON, LOUISIANA
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL
 SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1996

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Interest	\$ 26,580	\$ 26,475	\$(105)
Excess of revenues over expenditures	<u>26,580</u>	<u>26,475</u>	<u>(105)</u>
Other financing sources (uses)			
Operating transfers in	4,758	4,758	-
Total other financing sources (uses)	<u>4,758</u>	<u>4,758</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ 31,338</u>	31,233	<u>\$(105)</u>
Fund balance, beginning		323,295	
Prior period adjustment		<u>-</u>	
Fund balance, ending		<u>\$ 353,528</u>	

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

LINCOLN PARISH COMMUNICATIONS DISTRICT
 RUSTON, LOUISIANA
 GENERAL PURPOSE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 1996

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