

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

Primary Government Financial Statements
For the Year Ended December 31, 2016

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
PRIMARY GOVERNMENT FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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RUSTON, LOUISIANA
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INDEPENDENT AUDITOR'S REPORT

Lincoln Parish Police Jury
Ruston, Louisiana

Report on the Financial Statements

We have audited the accompanying primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincoln Parish Police Jury (which is the "Police Jury" as well as "the primary government)", as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Lincoln Parish Police Jury's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Audit Guide issued by the Louisiana Legislative Auditor. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Aggregate Discretely Presented Component Units	Adverse
Governmental Fund General	Unmodified
Governmental Fund Road Construction	Unmodified
Governmental Fund Road Maintenance	Unmodified
Governmental Fund Library	Unmodified
Governmental Fund Solid Waste Disposal	Unmodified
Governmental Fund Solid Waste Equipment Reserve	Unmodified
Governmental Fund Hospital Proceeds	Unmodified
Aggregate Remaining Fund Information	Qualified

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Police Jury's primary government unless the Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Police Jury has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units are understated by the amount of assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased by the amount of assets, liabilities, fund balances, revenues, and expenditures of the omitted component units. The amounts by which this departure would affect the financial statements are not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Lincoln Parish Police Jury, as of December 31, 2016, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the effects of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Police Jury as of December 31, 2016, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Lincoln Parish Police Jury, as of December 31, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4-11), budgetary comparison information (pages 48-55), the schedule of employer's share of net pension liability (page 56), and the schedule of employer contributions (page 56) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Lincoln Parish Police Jury
Ruston, Louisiana
Independent Auditor's Report,
December 31, 2016

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincoln Parish Police Jury's basic financial statements. The combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, benefits, reimbursements and other payments to agency head are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, reimbursements, benefits, and other payments to agency head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements; the schedule of compensation paid police jurors; and the schedule of compensation, reimbursements, benefits, and other payments to agency head are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2017, on our consideration of the Lincoln Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lincoln Parish Police Jury's internal control over financial reporting and compliance.

WILLIAM R. HULSEY (APAC)

Certified Public Accountant



Monroe, Louisiana

May 31, 2017

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

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

We offer the readers of the Lincoln Parish Police Jury's financial statements this narrative overview and analysis of the financial activities of the Lincoln Parish Police Jury for the fiscal year ended on December 31, 2016.

FINANCIAL HIGHLIGHTS

Our financial statements provide the following key financial highlights for the 2016 fiscal year:

- General Government Activities report total costs of \$16,816,312 and total revenues of \$16,391,323.
- Public Works accounted for the most significant portion of expenditures in General Government Activities.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements-and Management's Discussion and Analysis- for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented here. The MD&A is intended to serve as an introduction to the Police Jury's basic financial statements. Those basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains supplemental information.

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the Police Jury's finances in a format similar to that of a private sector entity.

The Statement of Net Position presents information on all of the Police Jury's assets and liabilities, with the difference between the two reported as net position. Increases or decreases presented on a comparative basis each year may prove useful as an indicator of whether the financial position of the Police Jury is improving or not.

The Statement of Activities presents information showing how the Police Jury's net position changed during the reporting period. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities distinguish functions of the Police Jury that are principally supported by taxes, intergovernmental revenues, and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The relationship between revenues and expenses represent the Police Jury's operating results. However, the Police Jury's goal is to provide services to our citizens, not to generate profits as is the case with commercial entities. As a result, one must consider other non-financial factors, such as the condition of the Police Jury's roads and bridges, services provided such as solid waste disposal, rural garbage collection, recreation, library services and housing assistance in order to assess the overall health of the Police Jury.

In the Statement of Net Position and the Statement of Activities, we divide the Police Jury into three kinds of activities:

General Fund Activities – Most of the Police Jury's basic services are reported here, including mandated cost for district courts and coroner's office, assistance to other governmental entities, courthouse and other parish building maintenance and general administration. Property taxes, sales tax, severance taxes, franchise fees, licenses and fees, and state and federal grants finance most of these activities.

Special Revenue Activities – These activities include most public works including roads and bridges, solid waste collection and disposal as well as library services, criminal court activities, and public health and housing assistance. Funding for these activities are received from property taxes, state and federal grants, and fees charged for services.

Capital Project Activities – Expenditures in this area include, but are not limited to, enhancements, renovations, and maintenance of the Lincoln Parish Park, the North Louisiana Exhibition Center, the Lincoln Parish Courthouse and the Bridge Replacement and Road Improvements Funds. Funding is provided through a variety of sources such as admission fees, usage fees, operating transfers from other funds and donations.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Police Jury, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Police Jury's fund financial statements provide detailed information about the most significant funds—not the Police Jury as a whole.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Police Jury’s near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements so that the reader may better understand the long-term impact of the Police Jury’s short-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

THE JURY AS A WHOLE

Our analysis shown below focuses on the net position (Table 1) and changes in net position (Table 2) of the Police Jury’s governmental and business-type activities on a comparative basis.

Table 1
Net Position
December 31, 2016 and 2015

	Governmental Activities 2016	Governmental Activities 2015
Current and other assets	\$46,396,346	\$43,309,110
Capital assets	22,390,772	22,658,045
Total assets	68,787,118	65,967,155
Current and other liabilities	5,058,088	3,261,563
Long-term liabilities	5,196,980	4,380,987
Total liabilities	10,255,068	7,642,550
Net Position		
Net investment in capital assets	19,909,772	19,669,045
Restricted	502,943	540,866
Unrestricted	38,119,335	38,375,789
Total net position	\$58,532,050	\$58,585,700

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

**Table 2
Changes in Net Position
For the Years Ended December 31, 2016 and 2015**

	Governmental Activities 2016	Governmental Activities 2015
Revenues		
Program Revenues		
Charges for services	\$1,334,268	\$1,841,708
Operating grants and contributions	3,173,988	2,885,723
Capital grants and contributions	-	-
General revenues		
Property taxes	6,445,018	7,264,787
Sales tax	4,776,289	5,863,352
Other taxes	142,741	176,621
Other revenues	22,041	102,589
Gain (loss) on disposal of assets	(19,470)	(95,202)
Interest earned	516,448	295,621
Total Revenues	16,391,323	18,335,199
Functions/Program Expenses		
Governmental Activities		
General and administrative	3,577,922	3,205,082
Public safety	545,841	533,303
Public works	8,914,968	8,925,162
Health and welfare	580,424	522,648
Culture and recreation	3,080,623	3,038,625
Economic development	20,761	57,692
Transportation	-	65,000
Debt service	95,773	111,783
Total Functions/Program Expenses	16,816,312	16,459,295
Increase (decrease) in net position	(424,989)	1,875,904
Net position – beginning of year (*Restated)	58,957,039	56,709,796
Net position – ending of year	58,532,050	58,585,700

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

Governmental Activities

The cost of all governmental activities this year was \$16,816,312. As indicated in the Statement of Activities, the amount that our taxpayers financed for these activities through property, sales taxes and other taxes was \$10,132,901 with an additional \$1,231,147 from severance taxes. The rest of these costs were paid by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions.

Table 3 presents the Police Jury's governmental activities as well as each program's cost for the last two years.

**Table 3
Governmental Activities
For the Years Ended December 31, 2016 and 2015**

	Total Cost Of Services 2016	Total Cost Of Services 2015
Governmental Activities		
General government	\$3,577,922	\$3,205,082
Public safety	545,841	533,303
Public works	8,914,968	8,925,162
Health and welfare	580,424	522,648
Culture and recreation	3,080,623	3,038,625
Economic development	20,761	57,692
Interest on long-term debt	95,773	111,783
Transportation	-	65,000
Total Functions/Program Expenses	16,816,312	16,459,295

The Police Jury's Funds

As the Police Jury completed the year, its governmental funds reported a combined net position balance of \$40,138,369 indicating a decrease of \$457,357 when compared to the beginning net position.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The excess of expenditures over revenues in the General Fund was \$25,589. This includes the Jury's transfer of funds to a capital fund for renovations and maintenance of parish buildings. Severance taxes exceeded one million dollars for the eighth year in a row.

In the general fund, actual revenues exceeded budgeted revenues by \$110,731 and actual expenditures were more than budgeted expenditures by \$136,320.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Police Jury had invested in the following capital assets (net of depreciation) at the end of fiscal years 2016 and 2015:

	Governmental Activities <u>2016</u>	Governmental Activities <u>2015</u>
Land	\$1,691,786	\$1,612,186
Buildings	5,388,338	5,565,223
Building improvements	5,026,501	5,302,193
Machinery and equipment	2,205,665	1,999,971
Furniture and fixtures	172,693	234,473
Vehicles	990,256	685,938
Non-depreciable improvements	67,100	67,100
Infrastructure	6,848,432	7,190,961
Totals	\$22,390,771	\$22,658,045

Debt Administration

The Lincoln Parish Police Jury had \$2,481,000 in long-term debt instruments at year-end compared to \$2,989,000 in the prior year.

	<u>2016</u>	<u>2015</u>
Library Bonds payable	\$ 1,941,000	\$ 2,289,000
Certificates of Indebtedness	540,000	700,000
Total	\$ 2,481,000	\$ 2,989,000

Certificates of indebtedness were issued in 2009 for the acquisition of the Old County Market building in the amount of \$1,500,000 at a rate of 4.35%. The building is adjacent to the Lincoln Parish Courthouse on Arizona Street. The 2001 Library Construction bonds were reissued in 2011 in the amount of \$3,577,000 and are to be repaid by March 2021 by Ad Valorem taxes with the first interest only payment due March 1, 2011.

More detailed information regarding the Police Jury's debt is presented in the notes to the financial statements.

OTHER POST-EMPLOYMENT BENEFITS

In the year ended December 31, 2016, the Lincoln Parish Police Jury has complied with requirements of Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions*. This statement requires that employers disclose the *Annual Required Contribution* and *Net Post-employment Benefit Obligation* as determined by actuarial computations. The disclosure of these amounts is presented in more detail in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The primary funding source for the General Fund of the parish is taxation. Approximately 62% of revenue is provided by Ad Valorem and Sales Tax. The elected and appointed officials consider many factors when developing the parish's budget and authorizing millage rates. Input by the citizens of the parish is a vital part of this consideration. Severance taxes are another significant funding source to the parish. Sales tax revenues slowed down in 2016, as expected. Sales tax revenues track the activity in the oil and gas industry for Lincoln Parish, and therefore are expected to increase slightly in 2017. The Lincoln Parish Police Jury will continue to strive for optimum use of parish resources.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the Police Jury's finances and to show the Police Jury's accountability for the funds received by it. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Courtney Hall at the Lincoln Parish Police Jury office located on the third floor of the Lincoln Parish Courthouse, 100 West Texas Avenue, Ruston, LA or call (318) 513-6200 between the hours of 8AM and 5PM Monday through Friday.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2016

ASSETS

Cash and cash equivalents	\$ 12,599,665
Investments	22,399,334
Receivables	7,495,061
Due from other governments	1,797,366
Inventory	11,582
Capital assets, net of accumulated depreciation	22,390,772
Other assets	4,582
TOTAL ASSETS	<u>66,698,362</u>

DEFERRED OUTFLOWS

Pension related	<u>2,088,756</u>
-----------------	------------------

LIABILITIES

Cash overdraft	164,276
Accounts payable	3,100,676
Salaries and related payables	156,359
Due to other agencies	721,331
Compensated absences due within one year	129,056
Bonds payable due within one year	528,000
Due to others	26,579
Bonds payable due in more than one	1,953,000
Net OPEB obligation	1,790,030
Net pension liability	1,453,950
TOTAL LIABILITIES	<u>10,023,257</u>

DEFERRED INFLOWS

Pension related	<u>231,811</u>
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NET POSITION

Net investment in capital assets	22,534,048
Restricted net position	502,943
Unrestricted net position	35,495,059
TOTAL NET POSITION	<u>\$ 58,532,050</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

GOVERNMENTAL ACTIVITIES
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
General government	\$ 3,577,922	\$ 757,876	\$ 1,383,133	\$ -	\$ (1,436,913)
Public safety	545,841	-	228,501	-	(317,340)
Public works	8,914,968	317,464	826,931	-	(7,770,573)
Health and welfare	580,424	-	577,159	-	(3,265)
Culture and recreation	3,080,623	258,928	158,264	-	(2,663,431)
Economic development and assistance	20,761	-	-	-	(20,761)
Interest expense	95,773	-	-	-	(95,773)
Total governmental activities	<u>\$ 16,816,312</u>	<u>\$ 1,334,268</u>	<u>\$ 3,173,988</u>	<u>\$ -</u>	<u>(12,308,056)</u>

General revenues:

Property taxes levied for:

General purposes	1,154,273
Public works	3,469,987
Culture and recreation	1,820,758
Sales and use taxes	4,776,289
Other taxes, penalties and interest	142,741
Donations	350
Other revenues	21,691
Gain (loss) on disposal of assets	(19,470)
Interest earned	516,448

Total general revenues

11,883,067

Change in net position

(424,989)

Net position at beginning of year, restated

58,957,039

Net position at end of year

\$ 58,532,050

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

FUND FINANCIAL STATEMENTS

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

GOVERNMENTAL FUNDS - BALANCE SHEET
AS OF DECEMBER 31, 2016

	<u>GENERAL FUND</u>	<u>ROAD CONSTRUCTION FUND</u>	<u>ROAD MAINTENANCE FUND</u>	<u>LIBRARY FUND</u>
ASSETS				
Cash and cash equivalents	\$ 993,694	\$ 2,595,412	\$ 2,128,318	\$ 154,555
Investments	2,079,589	530,271	1,042,072	2,448,902
Receivables	1,283,130	1,790,899	1,790,899	1,490,616
Due from other funds	1,046,416	41,177	45,132	11,802
Due from other governments	1,761,123	206	49	-
Inventory	-	11,582	-	-
Other assets	4,582	-	-	-
Total assets	<u>\$ 7,168,534</u>	<u>\$ 4,969,547</u>	<u>\$ 5,006,470</u>	<u>\$ 4,105,875</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 1,212,535	\$ 61,703	\$ 795,122	\$ 55,470
Salaries and related payables	156,615	-	-	-
Due to other agencies	430,870	-	-	-
Due to other funds	1,669,347	401,950	3,960	30,224
Due to others	26,535	-	-	-
Total liabilities	<u>3,495,902</u>	<u>463,653</u>	<u>799,082</u>	<u>85,694</u>
Fund equity - fund balances:				
Nonspendable	-	11,582	-	-
Restricted	-	-	-	-
Assigned	-	4,494,312	4,207,388	4,020,181
Unassigned	3,672,632	-	-	-
Total fund equity - fund balances	<u>3,672,632</u>	<u>4,505,894</u>	<u>4,207,388</u>	<u>4,020,181</u>
Total liabilities and fund equity	<u>\$ 7,168,534</u>	<u>\$ 4,969,547</u>	<u>\$ 5,006,470</u>	<u>\$ 4,105,875</u>

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

	SOLID WASTE DISPOSAL FUND	SOLID WASTE DISPOSAL EQUIPMENT RESERVE FUND	HOSPITAL PROCEEDS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and cash equivalents	\$ 139,573	\$ 124,726	\$ 90,476	\$ 6,372,911	\$ 12,599,665
Investments	-	2,980,932	9,854,859	3,462,708	22,399,333
Receivables	439,276	-	-	700,242	7,495,062
Due from other funds	4,327	9,500	-	2,084,400	3,242,754
Due from other governments	-	-	-	35,988	1,797,366
Inventory	-	-	-	-	11,582
Other assets	-	-	-	-	4,582
Total assets	<u>\$ 583,176</u>	<u>\$ 3,115,158</u>	<u>\$ 9,945,335</u>	<u>\$ 12,656,249</u>	<u>\$ 47,550,344</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$ 604,060	\$ -	\$ 1,985	\$ 369,488	\$ 3,100,363
Salaries and related payables	-	56	-	-	156,671
Due to other agencies	-	-	-	290,461	721,331
Due to other funds	-	332,880	37,000	767,394	3,242,755
Due to others	-	-	-	44	26,579
Total liabilities	<u>604,060</u>	<u>332,936</u>	<u>38,985</u>	<u>1,591,663</u>	<u>7,411,975</u>
Fund equity - fund balances:					
Nonspendable	-	-	-	-	11,582
Restricted	-	-	-	486,668	486,668
Assigned	-	2,782,222	9,906,350	10,577,918	35,988,371
Unassigned	(20,884)	-	-	-	3,651,748
Total fund equity - fund balances	<u>(20,884)</u>	<u>2,782,222</u>	<u>9,906,350</u>	<u>11,064,586</u>	<u>40,138,369</u>
Total liabilities and fund equity	<u>\$ 583,176</u>	<u>\$ 3,115,158</u>	<u>\$ 9,945,335</u>	<u>\$ 12,656,249</u>	<u>\$ 47,550,344</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET TO THE
STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2016

Total fund balances - governmental funds	\$ 40,138,369
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources	22,390,772
Pension related items are not reported in the fund statements:	
Deferred outflows	2,088,756
Deferred inflows	(231,811)
Net pension liability	(1,453,950)
Long-term obligations are not due and payable in the current period and therefore are not reported in the fund statements.	
Compensated absences payable	(129,056)
Bonds payable	(2,481,000)
Net OPEB obligation	(1,790,030)
Net assets of governmental activities	<u>\$ 58,532,050</u>

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

GOVERNMENTAL FUNDS - STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND	ROAD CONSTRUCTION FUND	ROAD MAINTENANCE FUND	LIBRARY FUND	SOLID WASTE DISPOSAL FUND
Revenues					
Taxes					
Ad valorem	\$ 1,154,273	\$ 1,715,033	\$ 1,754,954	\$ 1,487,234	\$ -
Sales and use	-	-	-	-	4,776,289
Other taxes, penalties, and interest	6,330	-	-	-	-
Licenses and permits	132,178	-	-	-	-
Intergovernmental funds					
Federal funds	5,878	-	-	-	-
State funds					
Severance taxes	1,231,147	-	-	-	-
State revenue sharing	65,712	133,416	97,119	27,115	-
Fire insurance rebate	188,088	-	-	-	-
Other state funds	81,070	-	-	4,902	-
Local funds					
Fees, charges and commissions for services	29,394	-	-	38,430	231,680
Fines and forfeitures	-	-	-	43,038	-
Use of money and property	58,251	(11,257)	17,091	28,468	22
Other revenues	5,204	-	-	10	30,900
Donations	-	-	-	350	-
Total revenues	2,957,525	1,837,192	1,869,164	1,629,547	5,038,891
Expenditures					
Current					
General government					
Legislative	154,359	-	-	-	-
Judicial	1,204	-	-	-	-
Elections	64,593	-	-	-	-
Finance and administrative	609,866	-	-	-	-
Other general government	668,218	-	-	-	-
Public safety					
Public works	545,841	-	-	-	-
Health and welfare	17,000	1,452,430	1,918,675	-	3,994,865
Culture and recreation	2,540	-	-	2,173,343	-
Economic development and assistance	20,761	-	-	-	-
Debt service	-	-	-	-	-
Total expenditures	2,424,479	1,452,430	1,918,675	2,204,074	3,994,865
Excess (deficiency) of revenues over expenditures					
	533,046	384,762	(49,511)	(574,527)	1,044,026
Other sources (uses)					
Operating transfers in	-	-	-	-	-
Operating transfers out	(558,635)	(394,030)	-	-	(1,050,795)
Total other sources (uses)	(558,635)	(394,030)	-	-	(1,050,795)
Net change in fund balances	(25,589)	(9,268)	(49,511)	(574,527)	(6,769)
Fund balances (deficit) at beginning of year (restated)	3,698,221	4,515,162	4,256,899	4,594,708	(14,115)
Fund balances (deficit) at end of year	\$ 3,672,632	\$ 4,505,894	\$ 4,207,388	\$ 4,020,181	\$ (20,884)

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

	SOLID WASTE DISPOSAL			
	EQUIPMENT RESERVE FUND	HOSPITAL PROCEEDS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues				
Taxes				
Ad valorem	\$ -	\$ -	\$ 333,524	\$ 6,445,018
Sales and use	-	-	-	4,776,289
Other taxes, penalties, and interest	-	-	136,411	142,741
Licenses and permits	-	-	-	132,178
Intergovernmental funds				
Federal funds	-	-	607,567	613,445
State funds				
Severance taxes	-	-	-	1,231,147
State revenue sharing	-	-	-	323,362
Fire insurance rebate	-	-	-	188,088
Other state funds	-	-	584,663	670,635
Local funds	-	-	45,413	45,413
Fees, charges and commissions for services				
	-	-	859,548	1,159,052
Fines and forfeitures	-	-	-	43,038
Use of money and property	(12,919)	(26,980)	463,772	516,448
Other revenues	-	-	47,284	83,398
Donations	-	-	-	350
Total revenues	(12,919)	(26,980)	3,078,182	16,370,602
Expenditures				
Current				
General government				
Legislative	-	-	-	154,359
Judicial	-	-	622,848	934,462
Elections	-	-	-	64,593
Finance and administrative	-	-	-	609,866
Other general government	-	-	171,797	840,015
Public safety	-	-	-	545,841
Public works	6,359	-	1,753,294	9,125,623
Health and welfare	-	48,170	515,254	580,424
Culture and recreation	-	-	594,108	2,769,991
Economic development and assistance	-	-	-	20,761
Debt service	-	-	603,773	603,773
Total expenditures	6,359	48,170	4,778,907	16,827,959
Excess (deficiency) of revenues over expenditures	(19,278)	(75,150)	(1,700,725)	(457,357)
Other sources (uses)				
Operating transfers in	-	-	2,021,960	2,021,960
Operating transfers out	-	(18,500)	-	(2,021,960)
Total other sources (uses)	-	(18,500)	2,021,960	-
Net change in fund balances	(19,278)	(93,650)	321,235	(457,357)
Fund balances (deficit) at beginning of year (restated)	2,801,500	10,000,000	10,743,351	40,595,726
Fund balances (deficit) at end of year	\$ 2,782,222	\$ 9,906,350	\$ 11,064,586	\$ 40,138,369

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

Net change in fund balances - total governmental funds	\$ (457,357)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlays	1,064,335
Depreciation	(1,312,138)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets.</p>	
Loss on disposal of capital assets	(19,470)
<p>Governmental funds report the retirement of long-term debt as an expenditure. However, in the government-wide financial statements, that amount representing principal on long-term debt is not treated as an expense but is instead applied against outstanding long-term debt on the Statement of Net Position.</p>	
Payments on debt	508,000
<p>Payments of long-term debt, including contributions to the OPEB obligation, are reported as expenditures in governmental funds. However, these amounts are a reduction of long-term liabilities in the Statement of Net Position and are not reflected in the Statement of Activities.</p>	
Change in compensated absences payable	(1,006)
Change in OPEB obligation	(51,092)
Pension expense	(196,452)
Other parties' contributions to pension plans	40,191
Change in net position of governmental activities	<u>\$ (424,989)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

FIDUCIARY FUNDS
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2016

ASSETS

Cash and cash equivalents \$ 133,371

LIABILITIES

Held in trust for deferred compensation benefits \$ 133,371

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

INTRODUCTION

The Lincoln Parish Police Jury (the Jury) is the governing authority for Lincoln Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms that expire in January of 2020.

Louisiana Revised Statute 33:1236 gives the Police Jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Jury complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

Basis of Presentation

The accompanying financial statements of the Lincoln Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

As the governing authority, for reporting purposes, the Lincoln Parish Police Jury is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, the Lincoln Parish Police Jury, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the Jury are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement 14 established criteria for determining which component units should be considered part of the Lincoln Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is accountability.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization’s governing body and (1) the ability of the Jury to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Jury. Organizations for which the Jury does not appoint a voting majority but are fiscally dependent on the Jury. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the police jury has determined that the following component units are part of the reporting entity:

<u>Component Units</u>	<u>Criteria Used</u>
Lincoln Parish Tax Assessor	2
Lincoln Parish District Attorney	2
Lincoln Parish Sheriff	2
Lincoln Parish Detention Center	2
Humanitarian Enterprises of Lincoln Parish	2

The following have been determined to be related organizations:

Lincoln Health Foundation	1&2
Northern Louisiana Medical Center	1&2
Fire Protection District No. 1 of Lincoln Parish	1&2
Ruston-Lincoln Industrial Development Board	1&2
Mount Olive Waterworks District	1&2
Waterworks District No. 1 of Lincoln Parish	1&2
Waterworks District No. 2 of Lincoln Parish	1&2
Waterworks District No. 3 of Lincoln Parish	1&2
Lincoln Parish Communications District	1&2
Lincoln Parish Geographic Information System	1&2

Since the Jury is legally separate and fiscally independent of other state and local governments and has a separately elected governing body, it meets the definition of a primary government as defined by GASB Statement 14.

The Police Jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed component units are included in the accompanying financial statements.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government’s (police jury) financial statements are not a substitute for the reporting entity’s financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to government units.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury). Considered in the determination of component units of the reporting entity were the School Board and the various municipalities in the parish. It was determined that these governmental entities are not component units of the Lincoln Parish Police Jury reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Lincoln Parish Police Jury.

Measurement Focus, Basis of Accounting and Financial Statement Position

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

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

Principal revenue sources considered susceptible to accrual include federal grants, interest on investments, sales and income taxes, and lease payments receivable. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the Jury's present appropriation system. These revenues have been accrued in accordance with accounting principles generally accepted in the United States of America since they have been earned and are expected to be collected within sixty days of the end of the period. Other revenues are considered to be measurable and available only when cash is received by the Jury. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure when utilized. The amount of accumulated annual leave unpaid at December 31, 2016 has been reported only in the governmental-wide financial statements.
- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

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

Governmental Funds

Governmental funds account for the Police Jury's general governmental activities including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the Governmental funds that do not meet the dollar tests for major funds. Governmental funds include:

General Fund – This fund accounts for all activities of the Jury not specifically required to be accounted for in other funds. Included are transactions for services such as general government, health services, public safety, regulatory services and social services.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Debt Service – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Fund Types – These funds account for assets held by the Police Jury as a trustee or agent for other units of government. This fund includes the following:

Nonexpendable Trust Fund – Nonexpendable Trust Funds are used to account for assets held by the government in a trustee capacity for others. The principal of the trust must be held intact and only the income earned may be used for the purpose specified in the hospital sale proposition, as approved by voters of Lincoln Parish.

Agency Fund – Agency Funds are used to account for assets held by the government as an agent for individuals, private organization, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Budgetary Practices

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

Cash and Cash Equivalents

Cash includes demand deposits and money market accounts. Under state law, the Police Jury may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. Further, the Police Jury may invest in the time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Investments

Investments are reported at fair value, with some exceptions, in accordance with GASB Statement No. 72, *Fair Value measurement and Application*, which was implemented for the year ended December 31, 2016. GASB 72 requires governments to use valuation techniques in assessing fair value and establishes a hierarchy of three levels used to categorize the inputs that are used to measure fair value. All cash and investment earnings are recorded in the General Fund unless statutorily dedicated to specific funds. The fair value hierarchy and valuation techniques for all investments reported at fair value as well as cash and investment limitations are disclosed in Notes 2 and 3.

Fund Equity

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity (Continued)

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the police jurors – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the police jurors remove the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance – This classification reflects the amounts constrained by the Police Jury’s “intent” to be used for specific purposes, but are neither restricted nor committed. The police jurors and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

The Police Jury has not established a formal policy regarding order of spending fund balances that are restricted, committed or assigned. The Police Jury’s informal policy for the spending prioritization of fund balances is that restricted would receive top priority, followed by committed. Assigned would receive the least priority and would be authorized to be spent if adequate funds were available. If expenditures incurred exceed the amounts that have been committed or assigned to the specific purpose, amounts assigned or committed would be reduced to eliminate the deficit.

Receivables

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

Interfund Receivables and Payables

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets of the Jury are stated at cost and are reported in the government-wide financial statements. Depreciation of all exhaustible capital assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciable lives are from 5 years for equipment and vehicles, 40 years for buildings and 25 years for infrastructure assets.

Annual and Sick Leave

The following annual and sick leave policies are in effect:

Police Jury

Employees accrue from five to twenty days of annual and five to fifteen days sick leave each year depending on years of service with the Police Jury for a total of not more than 120 days. If the total amount of unused vacation time reaches a "ceiling" equal to two times the annual vacation balance, the excess will be credited to sick leave. Upon termination of employment, employees will be paid for unused vacation time that they are eligible for according to the policy. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

Library

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

Third Judicial Criminal District Court

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

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

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Sales and Use Tax

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

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

Inventories

Inventories for all governmental funds are valued at cost. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation even though they are a component of reported assets. Inventories are accounted for as assets when purchased and recorded as expenditures as consumed.

NOTE 2 – CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Deposits. The custodial credit risk is the risk that in the event of a bank failure, the Police Jury’s deposits may not be returned to it. The Police Jury’s policy to ensure there is no exposure to this risk is to require each financial institution to pledge its’ own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Police Jury that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Police Jury had no custodial credit risk related to its deposits at December 31, 2016. The Police Jury had cash and cash equivalents in demand deposits, totaling \$12,599,665 at December 31, 2016.

These deposits are stated at cost, which approximates market. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances other than these backed by the U.S. government) at December 31, 2016, are secured, as follows:

Bank Balances	\$ <u>14,688,813</u>
FDIC Insurance	1,000,000
Pledged Securities (uncollateralized)	<u>14,970,150</u>
Total	<u>\$ 15,970,150</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 3 - INVESTMENTS

Custodial Credit Risk – Investments. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Police Jury’s investments in United States government securities are held by the Police Jury’s agent in the Police Jury’s name. Therefore, the Police Jury had no custodial credit risk related to its investments at December 31, 2016.

Under state law, the Police Jury may invest funds in obligations of the United States, in federally-insured investments, or in time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2016, the Police Jury had the following investments, stated at market based on statements from the custodians:

Government Agency Bonds	<u>\$ 22,326,108</u>
Total	<u>\$ 22,326,108</u>

Interest Rate Risk. In accordance with its investments policy, the Police Jury manages its exposure to declines in fair market values by limiting investment portfolios to money market investments, which are defined as creditworthy, highly liquid investments with maturities of one year or less. Although there may be certain circumstances in which longer-term securities are utilized, the general use of long-term securities shall be avoided.

Credit Risk. The Police Jury’s investment policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies.

Concentration of Credit Risk. The Police Jury’s investment policy limits the Police Jury’s investment instruments to: 1) certificates of deposit; 2) certain direct obligations of the U.S. Government; 3) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the United States of America; and 4) the Louisiana Asset Management Pool.

NOTE 4 – RECEIVABLES

The receivables of \$7,495,061 on December 31, 2016, are detailed as follows:

	<u>General Fund</u>	<u>Road Construction</u>	<u>Road Maintenance</u>	<u>Library Fund</u>	<u>Solid Waste Disposal</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Taxes:							
Ad valorem	\$ 1,152,948	\$ 1,726,149	\$ 1,726,149	\$ 1,472,564	\$ -	\$ 346,653	\$ 6,424,464
Other	33,131	-	-	-	439,276	-	472,407
State revenue sharing	43,809	64,750	64,750	18,052.00	-	-	191,361
State reimbursements	14,899	-	-	-	-	88,020	102,919
State Grants	11,916	-	-	-	-	-	11,916
Other	<u>26,420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,574</u>	<u>291,994</u>
Totals	<u>\$ 1,283,123</u>	<u>\$ 1,790,899</u>	<u>\$ 1,790,899</u>	<u>\$ 1,490,616</u>	<u>\$ 439,276</u>	<u>\$ 700,247</u>	<u>\$ 7,495,061</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 4 – RECEIVABLES (Continued)

Based on prior experience, the uncollectible ad valorem taxes net of proceeds from the sheriff's sale of property is immaterial, thus no provision has been made for such loss.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016, is as follows:

	2015			2016
	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u>
Non-Depreciable Assets:				
Land	\$ 1,679,286	\$ 12,500	\$ -	\$ 1,691,786
Infrastructure -CIP	-	-	-	-
Improvements	-	-	-	-
Total	<u>1,679,286</u>	<u>12,500</u>	<u>-</u>	<u>1,691,786</u>
Depreciable Assets:				
Buildings	10,792,475	-	-	10,792,475
Infrastructure	26,302,244	-	-	26,302,244
Improvements	9,578,286	64,680	-	9,642,966
Vehicles	1,816,827	395,805	(84,495)	2,128,137
Furniture & Fixtures	1,380,165	-	-	1,380,165
Machinery & Equipment	<u>5,016,146</u>	<u>591,349</u>	<u>(167,426)</u>	<u>5,440,069</u>
Total	<u>54,886,143</u>	<u>1,051,834</u>	<u>(251,921)</u>	<u>55,686,056</u>
Less: Accumulated Depreciation:				
Buildings	(5,227,252)	(176,885)	-	(5,404,137)
Infrastructure	(19,111,283)	(275,429)	-	(19,386,712)
Improvements	(4,276,093)	(340,372)	-	(4,616,465)
Vehicles	(1,130,889)	(128,190)	121,198	(1,137,881)
Furniture & Fixtures	(1,145,692)	(61,780)	-	(1,207,472)
Machinery & Equipment	<u>(3,016,175)</u>	<u>(329,482)</u>	<u>111,253</u>	<u>(3,234,404)</u>
Total	<u>(33,907,384)</u>	<u>(1,312,138)</u>	<u>232,451</u>	<u>(34,987,071)</u>
Capital Assets, Net	<u>\$ 22,658,045</u>	<u>\$ (247,804)</u>	<u>\$ (19,470)</u>	<u>\$ 22,390,771</u>

Depreciation expense charged for \$1,312,138 is as follows:

General Government	\$ 726,077
Public Safety	-
Public Works	275,429
Health & Welfare	-
Economic Development	-
Culture and Recreation	<u>310,632</u>
Total	<u>\$ 1,312,138</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 6 – PENSION PLAN

Parochial Employees' Retirement System of Louisiana (System)

Plan Description

The Lincoln Parish Police Jury contributes to the Parochial Employees' Retirement System of Louisiana (System) which is a cost sharing multiple employer defined benefit pension plan. All permanent employees working at least 28 hours per week are eligible to participate in the System. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join PERS. Section 1901 through 2025 of Title 11 of the Louisiana Revised Statutes (La. R.S. 11:1901-2025) and other general laws of the State of Louisiana govern PERS.

The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

Any member of Plan A who was hired prior to January 1, 2007, can retire providing he/she meets one of the following criteria:

1. Any age after 30 years of creditable service.
2. Age 55 after 25 years of creditable service.
3. Age 60 after 10 years of creditable service.
4. Age 65 after seven years creditable service.

Eligibility for retirement for Plan A members hired on or after January 1, 2007 is as follows:

1. Age 55 after 30 years of creditable service.
2. Age 62 after 10 years of creditable service.
3. Age 67 after seven years of creditable service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the employee's final compensation multiplied by his or her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

The System also provides death and disability benefits. Benefits are established or amended by state statute.

For the year ended December 31, 2016, the Lincoln Parish Police Jury's total payroll for all employees was \$4,154,799. Total covered payroll was \$3,320,553. Covered payroll refers to all compensation paid by the Lincoln Parish Police Jury to active employees covered by the Plan.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees Retirement System of Louisiana, 7509 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361, or by visiting the System's website www.persla.org.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 6 – PENSION PLAN (continued)

Contributions

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ended December 31, 2016, the actual employer contribution rate was 13.00% for Plan A, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary. The contributions are deducted from the employee's wages or salary and remitted by the Lincoln Parish Police Jury to the System monthly. The Lincoln Parish Police Jury's contributions to the System under Plan A for the year ending December 31, 2015 were \$431,577.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At December 31, 2016, the Employer reported a liability of \$1,453,950 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of December 31, 2015 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Lincoln Parish Police Jury's proportion of the Net Pension Liability was based on a projection of the Police Jury's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2015, the Police Jury's proportion was 0.552352%, which was a decrease of 0.036685% from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the Lincoln Parish Police Jury recognized pension expense of (\$628,741) plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was (\$432,289). Total pension expense for the Lincoln Parish Police Jury for the year ended December 31, 2016 was \$196,452.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 6 – PENSION PLAN (continued)

At December 31, 2015, the Lincoln Parish Police Jury reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	\$231,072
Changes in assumption	\$323,963	-
Net difference between projected and actual earnings on pension plan investments	1,330,404	-
Changes in employer's portion of beginning net pension liability	4,753	739
Differences between employer contributions and proportionate share of employer contributions	(1,201)	-
Subsequent measurement contributions	430,838	-
Total	2,088,756	231,811

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31,	
2017	\$464,236
2018	464,236
2019	464,236
2020	464,236

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 6 – PENSION PLAN (continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2015, are as follows:

Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.00% (net of investment expense, including inflation)
Salary increases	5.25% (2.75% merit, 2.50% inflation)
Mortality rates	RP-2000 Employee Sex Distinct Table was selected for employees. RP-2000 Healthy Annuitant Sex Distinct Tables were selected for annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
Expected remaining service lives	4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.55% for the year ended December 31, 2015.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	34%	1.06%
Equity	51%	3.56%
Alternatives	12%	0.74%
Real Assets	3%	0.19%
Totals	100%	5.55%
Inflation		2.00%
Expected arithmetic nominal return		7.55%

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 6 – PENSION PLAN (continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Sensitivity of the Lincoln Parish Police Jury’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Lincoln Parish Police Jury’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Police Jury’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00%) or one percentage-point higher (8.00%) than the current rate:

	1.0% Decrease (6.00%)	Current Discount Rate (7.00%)	1.0% Increase (8.00%)
Employer’s proportionate share of net pension liability	\$3,642,671	\$1,453,950	(\$395,785)

Payables to the Pension Plan

These financial statements include no payable to the pension plan at December 31, 2016.

Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued Parochial Employees’ Retirement System of Louisiana Audit Report at www.persla.org.

NOTE 7 – LEASES

Operating Leases (Lessee). The Lincoln Parish Police Jury leases space under noncancelable operating leases in the building the Police Jury purchased in September 2009. Total income for such leases were \$183,414 for the year ended December 31, 2016. Future minimum lease payments for these leases are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>LPPJ Complex</u> <u>Lease</u>
2017	\$ 137,608
2018	137,608
2019	137,608
Total	<u>\$ 412,824</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 8 – DUE TO/FROM OTHER FUNDS

Individual fund balances due to/from other funds at December 31, 2016, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 1,046,416	\$ 1,669,347
Special Revenue Funds:		
Road Construction Fund	41,177	401,950
Road Maintenance Fund	45,132	3,960
Library Fund	11,802	30,223
Solid Waste Disposal Fund	4,327	-
Solid Waste Disposal Equipment Reserve Fund	9,500	332,880
Hospital Proceeds Fund	-	37,000
Non-Major Funds	<u>2,084,400</u>	<u>767,394</u>
Totals	<u>\$ 3,242,754</u>	<u>\$ 3,242,754</u>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

NOTE 9 – ASSIGNED FUND BALANCE – WITNESS FEES

Louisiana Revised Statute 15:255 provides for the payment of witness fees to off-duty law enforcement officers who, in their official capacity, are required to be present as a witness in criminal cases. Witness fees are paid from special court costs levied in criminal cases. Court costs and witness fees are accounted for in the Criminal Court Special Revenue Fund. The following schedule provides a detail of changes in the fund balance of the Law Enforcement Witness Fee Fund for the year ended December 31, 2016:

Balance at January 1, 2016	\$ 12,255
Court costs collected	6,784
Interest	18
Witness fees paid	<u>(350)</u>
Balance at December 31, 2016	<u>\$ 18,707</u>

NOTE 10 – ASSIGNED FUND BALANCE – EQUIPMENT REPLACEMENT

The Lincoln Parish Police Jury, by ordinance, established the Solid Waste Equipment Reserve Special Revenue Fund to account for monies designated for replacement of solid waste collection and disposal equipment. Transfers are made from the Solid Waste Collection and Solid Waste Disposal Special Revenue Funds based on the amortization of equipment costs in those funds. The amounts transferred are recognized as operating transfers in the accompanying financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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

The following schedule provides detail on changes for the year ended December 31, 2016.

	<u>Collection Equipment</u>	<u>Disposal Equipment</u>	<u>Total</u>
Balance at January 1, 2016	\$ 3,128,736	\$ 2,801,500	\$ 5,930,022
Transfers in (out)	-	-	-
Sale of assets	-	-	-
Other revenues	35,511	63,945	99,669
Equipment replacement costs	(248,776)	-	(248,776)
Unrealized gain (loss) on investments	(47,893)	(76,864)	(124,757)
Expenditures	<u>(5,561)</u>	<u>(6,359)</u>	<u>(11,920)</u>
Balance at December 31, 2016	<u>\$ 2,862,017</u>	<u>\$ 2,782,222</u>	<u>\$ 5,644,239</u>

The total Solid Waste Equipment Reserve as of December 31, 2016, is as follows:

Solid Waste Equipment Reserve	\$ 5,644,239
Sewer Fund Equipment Replacement	<u>92,532</u>
Total Fund Equity Assigned for Equipment Replacement	<u>\$ 5,736,771</u>

NOTE 11 – CRIMINAL COURT FUND SURPLUS

Louisiana Revised Statute 15:571.11 requires that one-half of any surplus remaining in the Criminal Court Special Revenue Fund at year end be transferred to the parish General Fund. During the year ended December 31, 2016, no surplus transfers were made.

NOTE 12 – LITIGATION AND CLAIMS

The Police Jury, at the present time, has pending litigation according to the district attorney in Lincoln Parish. In the opinion of the district attorney, the amount of the Police Jury's liability, if any, with respect to those matters will not materially affect the financial statements.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 13 – TAXES

Property taxes are due as of December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. An enforceable lien attaches to the property with unpaid taxes and is sold at a tax sale.

Property Tax Calendar

Assessment Date	January 1, 2016
Levy Date	November 8, 2016
Tax Bills Mailed	November 15, 2016
Total Taxes Are Due	December 31, 2016
Penalties and Interest are Added	January 1, 2017
Tax Sales – 2016 Delinquent Property	May 20-22, 2017

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Parish Taxes:		
General Fund inside Ruston	1.82	1.68
General Fund outside Ruston	3.65	3.37
Road Maintenance	4.41	4.08
Construction Improvement	4.41	4.08
Library Operation	4.99	3.50
Library Bond Fund	1.10	.80

NOTE 14 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2016, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Variances (Unfavorable)</u>
General Fund			
Expenditures	\$ 2,288,159	\$ 2,424,479	\$ (136,320)
Solid Waste Disposal Equipment Reserve Fund			
Revenues	\$ 15,000	\$ (12,919)	\$ (27,919)
Hospital Proceeds Fund			
Revenues	\$ 108,000	\$ (26,980)	\$ (134,980)

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 15 – DEFERRED COMPENSATION PLAN

Employees of the Lincoln Parish Police Jury may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Lincoln Parish Police Jury. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. In accordance with the provisions of GASB Statements No. 32 and No. 34, plan balances and activities are not reflected in the financial statements of the Lincoln Parish Police Jury or its political subdivisions.

NOTE 16 – POST-EMPLOYMENT BENEFITS

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

The employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Dental insurance coverage is provided to retirees. The employer pays 90 to 95% of the cost of the dental insurance (depending on the plan) for the retiree and 50% for dependents. We have used the unblended rates provided and included the actuarial cost and liability in the valuation of the medical benefits. All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption; zero trend was used for dental insurance.

Life insurance coverage is available to retirees based on blended rate (active and retired). The employer pays 100% of the cost of the retiree life insurance, but it is based on this blended rate. Since GASB Codification Section P50 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Retiree insurance coverage amounts are reduced to 50% of the original level before retirement.

Contribution Rates – Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy – Until 2008, the Lincoln Parish Police Jury recognized the cost of providing post-employment medical and life insurance benefits (the Lincoln Parish Police Jury’s portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2016 and 2015, the Lincoln Parish Police Jury’s portion of health care and life insurance funding cost for retired employees totaled \$360,334 and \$333,643, respectively.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 – POST-EMPLOYMENT BENEFITS (Continued)

Effective January 1, 2008, the Lincoln Parish Police Jury implemented Government Accounting Standards Board Codification Section P50, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions* (GASB Codification Section). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The Lincoln Parish Police Jury’s Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB Codification Section P50. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB Codification Section P50) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2016	2015
Normal cost	\$ 127,194	\$ 122,302
30-year UAL amortization amount	315,238	303,113
Annual required contribution (ARC)	\$ 442,432	\$ 425,415

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

	2016	2015
Beginning Net OPEB Obligation	\$ 1,738,937	\$ 1,677,068
Annual required contribution	442,432	425,415
Interest on Net OPEB Obligation	69,557	67,083
ARC Adjustment	(100,563)	(96,985)
OPEB Cost	411,426	395,513
Contribution to Irrevocable Trust	-	-
Current year retiree premium	(360,334)	(333,643)
Change in Net OPEB Obligation	51,092	61,870
Ending Net OPEB Obligation	\$ 1,790,028	\$ 1,738,937

The following table shows the Lincoln Parish Police Jury’s annual other post-employment benefits (OPEB) cost, percentage of the cost contributed, and the net other post-employment benefits (OPEB) liability for last year and this year:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net OPEB Liability (Asset)
December 31, 2016	\$ 411,426	87.58%	\$ 1,790,028
December 31, 2015	\$ 395,513	84.36%	\$ 1,738,937

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 – POST-EMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress – In 2016 and 2015, the Lincoln Parish Police Jury made no contributions to its post-employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2014 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2016 was \$5,669,200 which is defined as that portion, as determined by a particular actuarial cost method (the Lincoln Parish Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post-employment plan benefits and expenses which is not provided by normal cost.

	2016	2015
Actuarial Accrued Liability (AAL)	\$ 5,669,200	\$ 5,451,154
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	\$ 5,669,200	\$ 5,451,154
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 2,758,325	\$ 3,797,903
UAAL as a percentage of covered payroll	205.53%	143.53%

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post-employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Lincoln Parish Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Lincoln Parish Police Jury and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Lincoln Parish Police Jury and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method – The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Codification Section P50.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 – POST-EMPLOYMENT BENEFITS (Continued)

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 5%.

Post-employment Benefit Plan Eligibility Requirements – Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., as described above under "Plan Description". Medical benefits are provided to employees upon actual retirement.

Investment Return Assumption (Discount Rate) – GASB Codification Section P50 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on a graded schedule beginning with 8% annually, down to an ultimate annual rate of 5.0% for ten years out and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rates and 50% of the unloaded female mortality rates, is used. This is a recently published mortality table which has been used in determining the value of accrued benefits in defined benefit pension plans. Projected future mortality improvement has not been used since it is our opinion that this table contains sufficiently conservative margin for the population involved in this valuation.

Method of Determining Value of Benefits – The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 90 to 95% of the cost of the medical insurance (depending on the plan) for the retiree and 50% for dependents. Medical and dental coverage ceases at age 65 (Medicare eligibility) for all retirees who retired on and after January 1, 2008. The rates provided are "unblended" rates as required by GASB Codification Section P50.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 16 – POST-EMPLOYMENT BENEFITS (Continued)

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

OPEB Costs and Contributions				
	FY 2014	FY 2015	FY 2016	
OPEB Cost	\$ 380,426	\$ 395,513	\$	411,426
Contribution	0	0		0
Retiree premium	<u>308,929</u>	<u>333,643</u>		<u>360,334</u>
Total contribution and premium	<u>308,929</u>	<u>333,643</u>		<u>360,334</u>
Change in net OPEB obligation	\$ <u>71,497</u>	\$ <u>61,870</u>	\$	<u>51,092</u>
% of contribution to cost	0.00%	0.00%		0.00%
% of contribution plus premium to cost	81.21%	84.36%		87.58%

NOTE 17 – BONDS PAYABLE

Certificates of indebtedness were issued in the amount of \$1,500,000 on September 16, 2009 for the purpose of acquiring the Old County Market Building and paying the costs incurred in connection with the issuance of the Certificates. The bonds carry a net interest rate of 4.35%. On March 1, 2001, General obligation bonds were issued in the amount of \$5,300,000 for the purpose of library renovations. These bonds were reissued in 2011 in the amount of \$3,577,000 and are to be repaid by March 2021 by Ad Valorem taxes with the first interest only payment due March 1, 2011. Principal payments commenced on March 1, 2011. The bonds carry a net interest rate of 3.02%. The following is the future principal and interest requirements:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Government Activities:					
Bonds Payable:					
General Obligation Refunding Bond, Series 2011	\$ 2,289,000	\$ -	\$ 348,000	\$ 1,941,000	\$ 358,000
Certificates of Indebtedness, Series 2009	700,000	-	160,000	540,000	170,000
Accrued Vacation Leave	<u>128,050</u>	<u>1,006</u>	<u>-</u>	<u>129,056</u>	<u>129,056</u>
Total Governmental Activities					
Long-Term Debt	<u>\$ 3,117,050</u>	<u>\$ 1,006</u>	<u>\$ 508,000</u>	<u>\$ 2,610,056</u>	<u>\$ 657,056</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 17 – BONDS PAYABLE (Continued)

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

Year Ended <u>December 31,</u>	Certificates of Indebtedness <u>Series 2011</u>		Certificates of Indebtedness <u>Series 2009</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2017	\$358,000	\$53,212	\$170,000	\$23,490
2018	372,000	42,189	180,000	16,095
2019	386,000	30,743	190,000	8,265
2020	404,000	18,815	-	-
2021	<u>421,000</u>	<u>6,357</u>	<u>-</u>	<u>-</u>
Total	<u>\$1,941,000</u>	<u>\$ 151,316</u>	<u>\$ 540,000</u>	<u>\$ 47,850</u>

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

NOTE 18 – INTERFUND OPERATING TRANSFERS IN AND OUT

<u>Fund</u>	<u>Operating Transfers</u>	
	<u>In</u>	<u>Out</u>
Major Funds:		
General Fund	\$ -	\$ 558,635
Special Revenue Funds:		
Road Construction Fund	-	394,030
Solid Waste Disposal Fund	-	1,050,795
Hospital Proceeds Fund	-	18,500
Non-Major Funds	<u>2,021,960</u>	<u>-</u>
Totals	<u>\$ 2,021,960</u>	<u>\$ 2,021,960</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 19 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 31, 2017, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 20 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to reverse several deposits recorded twice near the end of fiscal year 2015. The amount reversed was \$87,871, causing net position to decrease by \$87,871. This adjustment affected the fund financial statements and governmental activities. An adjustment increasing beginning net position was also made in the governmental activities to correct a GASB 68 calculation.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>WITH FINAL BUDGET</u>
Revenues:				
Taxes:				
Ad valorem	\$ 1,126,190	\$ 1,178,004	\$ 1,154,273	\$ (23,731)
Other taxes, penalties, and interest	6,500	6,300	6,330	30
Licenses and permits	126,000	130,570	132,178	1,608
Intergovernmental funds:				
Federal funds	4,525	4,525	5,878	1,353
Severance taxes	1,175,000	1,200,000	1,231,147	31,147
State revenue sharing	62,500	60,895	65,712	4,817
Fire insurance rebate	212,343	188,000	188,088	88
Other state funds	-	-	81,070	81,070
Fees, charges, and commissions for services	19,000	25,500	29,394	3,894
Use of money and property	76,000	53,000	58,251	5,251
Other revenues	2,600	-	5,204	5,204
Total revenues	<u>2,810,658</u>	<u>2,846,794</u>	<u>2,957,525</u>	<u>110,731</u>
Expenditures:				
Current:				
General government:				
Legislative	186,271	187,153	154,359	(32,794)
Judicial	282,860	288,060	311,614	23,554
Elections	28,374	30,611	64,593	33,982
Finance and administrative	610,214	602,914	609,866	6,952
Other general government	583,497	584,227	668,218	83,991
Public safety	539,336	522,141	545,841	23,700
Health and welfare	17,000	17,000	17,000	-
Culture and recreation	4,527	2,540	2,540	-
Economic development and assistance	23,500	23,500	20,761	(2,739)
Total expenditures	<u>2,305,579</u>	<u>2,288,159</u>	<u>2,424,479</u>	<u>136,320</u>
Excess (deficiency) of revenues over expenditures	<u>505,079</u>	<u>558,635</u>	<u>533,046</u>	<u>(25,589)</u>
Other sources (uses):				
Operating transfers out	<u>(507,079)</u>	<u>(558,635)</u>	<u>(558,635)</u>	<u>-</u>
Net change in fund balances	(2,000)	-	(25,589)	(25,589)
Fund balances at beginning of year	3,712,222	3,712,222	3,698,221	(14,001)
Fund balances at end of year	<u>\$ 3,710,222</u>	<u>\$ 3,712,222</u>	<u>\$ 3,672,632</u>	<u>\$ (39,590)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - ROAD CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 1,688,000	\$ 1,688,000	\$ 1,715,033	\$ 27,033
Intergovernmental funds:				
State revenue sharing	93,800	90,177	133,416	43,239
Use of money and property	2,500	5,000	(11,257)	(16,257)
Total revenues	<u>1,784,300</u>	<u>1,783,177</u>	<u>1,837,192</u>	<u>54,015</u>
Expenditures:				
Current:				
Public works	<u>1,704,539</u>	<u>1,449,986</u>	<u>1,452,430</u>	<u>2,444</u>
Net change in fund balances	79,761	(60,839)	(9,268)	51,571
Fund balances at beginning of year	<u>4,594,923</u>	<u>4,454,323</u>	<u>4,515,162</u>	<u>60,839</u>
Fund balances at end of year	<u>\$ 4,674,684</u>	<u>\$ 4,393,484</u>	<u>\$ 4,505,894</u>	<u>\$ 112,410</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - ROAD MAINTENANCE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 1,688,000	\$ 1,688,000	\$ 1,754,954	\$ 66,954
Intergovernmental funds:				
State revenue sharing	93,800	90,177	97,119	6,942
Use of money and property	2,500	5,000	17,091	12,091
Total revenues	<u>1,784,300</u>	<u>1,783,177</u>	<u>1,869,164</u>	<u>85,987</u>
Expenditures:				
Current:				
Public works	<u>1,783,539</u>	<u>1,892,130</u>	<u>1,918,675</u>	<u>26,545</u>
Net change in fund balances	761	(108,953)	(49,511)	59,442
Fund balances at beginning of year	<u>4,257,660</u>	<u>4,147,946</u>	<u>4,256,899</u>	<u>108,953</u>
Fund balances at end of year	<u>\$ 4,258,421</u>	<u>\$ 4,038,993</u>	<u>\$ 4,207,388</u>	<u>\$ 168,395</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Ad valorem	\$ 1,914,262	\$ 1,516,577	\$ 1,487,234	\$ (29,343)
Intergovernmental funds:				
State revenue sharing	35,000	33,991	27,115	(6,876)
Other state funds	-	-	4,902	4,902
Fees, charges, and commissions for services	45,000	35,000	38,430	3,430
Fines and forfeitures	38,000	37,000	43,038	6,038
Use of money and property	19,999	16,850	28,468	11,618
Other revenues	-	-	10	10
Donations	3,000	500	350	(150)
Total revenues	<u>2,055,261</u>	<u>1,639,918</u>	<u>1,629,547</u>	<u>(10,371)</u>
Expenditures:				
Current:				
Culture and recreation	<u>2,294,173</u>	<u>2,165,667</u>	<u>2,173,343</u>	<u>7,676</u>
Net change in fund balances	(282,912)	(560,249)	(574,527)	(14,278)
Fund balances at beginning of year	4,594,708	4,594,708	4,594,708	-
Fund balances at end of year	<u>\$ 4,311,796</u>	<u>\$ 4,034,459</u>	<u>\$ 4,020,181</u>	<u>\$ (14,278)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - SOLID WASTE DISPOSAL SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Taxes:				
Sales and use	\$ 5,877,200	\$ 4,840,000	\$ 4,776,289	\$ (63,711)
Fees, charges, and commissions for services	220,000	185,000	231,680	46,680
Other revenues	22,000	25,000	30,900	5,900
Total revenues	<u>6,119,210</u>	<u>5,050,010</u>	<u>5,038,891</u>	<u>(11,119)</u>
Expenditures:				
Current:				
Public works	4,699,210	4,022,480	3,994,865	(27,615)
Excess (deficiency) of revenues over expenditures	<u>1,420,000</u>	<u>1,027,530</u>	<u>1,044,026</u>	<u>16,496</u>
Other sources (uses):				
Operating transfers out	<u>(1,420,000)</u>	<u>(1,027,530)</u>	<u>(1,050,795)</u>	<u>(23,265)</u>
Net change in fund balances	-	-	(6,769)	(6,769)
Fund balances at beginning of year	<u>(14,115)</u>	<u>(14,115)</u>	<u>(14,115)</u>	-
Fund balances at end of year	<u>\$ (14,115)</u>	<u>\$ (14,115)</u>	<u>\$ (20,884)</u>	<u>\$ (6,769)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE -
SOLID WASTE DISPOSAL EQUIPMENT RESERVE
RESERVE SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
Revenues:				
Use of money and property	\$ 11,800	\$ 15,000	\$ (12,919)	\$ (27,919)
Expenditures:				
Current:				
Public works	-	-	6,359	6,359
Net change in fund balances	11,800	15,000	(19,278)	(34,278)
Fund balances at beginning of year	3,148,247	3,151,447	2,801,500	(349,947)
Fund balances at end of year	<u>\$ 3,160,047</u>	<u>\$ 3,166,447</u>	<u>\$ 2,782,222</u>	<u>\$ (384,225)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - HOSPITAL PROCEEDS SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Use of money and property	\$ 124,000	\$ 108,000	\$ (26,980)	\$ (134,980)
Expenditures:				
Current:				
Health and welfare	44,530	47,530	48,170	640
Excess (deficiency) of revenues over expenditures	79,470	60,470	(75,150)	(135,620)
Other sources (uses):				
Operating transfers out	(79,470)	(60,470)	(18,500)	41,970
Net change in fund balances	-	-	(93,650)	(93,650)
Fund balances at beginning of year	9,997,500	9,997,500	10,000,000	2,500
Fund balances at end of year	<u>\$ 9,997,500</u>	<u>\$ 9,997,500</u>	<u>\$ 9,906,350</u>	<u>\$ (91,150)</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2016

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

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

Budget/Actual Unfavorable Variances

When comparing budget to actual revenue and expenditure amounts for the year ended December 31, 2016, the following governmental funds had variances greater than 5%:

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variances</u>
General Fund:			
Expenditures	\$2,288,159	\$2,424,479	\$136,320
Solid Waste Equipment Reserve:			
Revenues	\$15,000	(\$12,919)	\$27,919
Expenditures	-	\$6,359	\$6,359
Hospital Proceeds:			
Revenues	\$108,000	(\$26,980)	\$134,980

Lincoln Parish Police Jury
 Parochial Employee's Retirement System (Plan A)
 Schedule of Employer's Share of Net Pension Liability
 12/31/2016

Year	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll	Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability
2015	0.589037%	161,049	3,310,538	4.86%	99.15%
2016	0.552352%	1,453,950	3,166,967	45.91%	92.23%

Lincoln Parish Police Jury
 Parochial Employee's Retirement System (Plan A)
 Schedule of Employer's Contributions
 12/31/2016

Year	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
2015	459,210	459,210	-	3,166,967	14.50%
2016	431,577	431,577	-	3,320,553	13.00%

OTHER SUPPLEMENTAL INFORMATION

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 3,973,735	\$ 608,144	\$ 1,791,032	\$ 6,372,911
Investments	3,462,708	-	-	3,462,708
Receivables	332,980	346,653	20,609	700,242
Due from other funds	533,872	26,224	1,524,304	2,084,400
Due from other governments	1,380	-	34,608	35,988
Total assets	<u>\$ 8,304,675</u>	<u>\$ 981,021</u>	<u>\$ 3,370,553</u>	<u>\$ 12,656,249</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Cash overdraft	164,276	-	-	164,276
Accounts payable	105,439	11,147	252,902	369,488
Due to other agencies	8,821	-	281,640	290,461
Due to other funds	708,491	-	58,903	767,394
Due to others	44	-	-	44
Total liabilities	<u>987,071</u>	<u>11,147</u>	<u>593,445</u>	<u>1,591,663</u>
Fund equity - fund balances:				
Restricted	486,668	-	-	486,668
Assigned	6,830,936	969,874	2,777,108	10,577,918
Total fund equity - fund balances	<u>7,317,604</u>	<u>969,874</u>	<u>2,777,108</u>	<u>11,064,586</u>
Total liabilities and fund equity	<u>\$ 8,304,675</u>	<u>\$ 981,021</u>	<u>\$ 3,370,553</u>	<u>\$ 12,656,249</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2016

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL
Revenues:				
Taxes:				
Ad valorem	\$ -	\$ 333,524	\$ -	\$ 333,524
Other taxes, penalties, and interest	-	-	136,411	136,411
Intergovernmental funds:				
Federal funds	547,781	-	59,786	607,567
Other state funds	565,496	-	19,167	584,663
Local	45,413	-	-	45,413
Fees, charges, and commissions for services	682,088	-	177,460	859,548
Use of money and property	59,882	184,175	219,715	463,772
Other revenues	-	-	47,284	47,284
Total revenues	<u>1,900,660</u>	<u>517,699</u>	<u>659,823</u>	<u>3,078,182</u>
Expenditures:				
Current:				
General government:				
Judicial	621,896	-	952	622,848
Other general government	250	-	171,547	171,797
Public works	1,305,408	-	447,886	1,753,294
Health and welfare	515,254	-	-	515,254
Culture and recreation	-	-	594,108	594,108
Debt service	-	603,773	-	603,773
Capital outlay	517,833	-	-	517,833
Total expenditures	<u>2,960,641</u>	<u>603,773</u>	<u>1,214,493</u>	<u>4,778,907</u>
Excess (deficiency) of revenues over expenditures	<u>(1,059,981)</u>	<u>(86,074)</u>	<u>(554,670)</u>	<u>(1,700,725)</u>
Other sources (uses):				
Operating transfers in	<u>1,069,295</u>	<u>-</u>	<u>952,665</u>	<u>2,021,960</u>
Net change in fund balances	9,314	(86,074)	397,995	321,235
Fund balances at beginning of year (restated)	<u>7,308,290</u>	<u>1,055,948</u>	<u>2,379,113</u>	<u>10,743,351</u>
Fund balances at end of year	<u>\$ 7,317,604</u>	<u>\$ 969,874</u>	<u>\$ 2,777,108</u>	<u>\$ 11,064,586</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2016

NONMAJOR SPECIAL REVENUE FUNDS

Special Road Fund

The Special Road Fund accounts for the operation of the Lincoln Parish Highway Department, other than materials and personal services. Financing is provided by state appropriations, parish royalty road funds and interest earned on time deposits and operating transfers from other road funds.

Solid Waste Funds

The Solid Waste Disposal fund accounts for the proceeds of the parish-wide one-half cent sales and use tax for the operation of a parish sanitary landfill. The Solid Waste Collection Fund accounts for the proceeds of the parish-wide one-half cent sales and use tax for the operation of refuse collection sites within the parish.

Solid Waste Equipment Reserve Funds

The Solid Waste Equipment Reserve Fund accumulates funds for capital outlay expenditures for the replacement and purchase of new equipment and other capital outlay expenditures for both the solid waste collection system and the sanitary landfill facility. Financing is provided by transfers from the Solid Waste Collection Fund and the Solid Waste Disposal Fund, based on amortization of equipment used in the two operations and from interest earned on time deposits.

Criminal Court Fund

The Criminal Court Fund is used to account for the operations of the Third Judicial District Criminal Court in Lincoln Parish. Financing is provided from fines, forfeitures and court costs as provided by applicable Louisiana Revised Statutes. Expenditures are made from the fund on motion of the district attorney and approval of the district judges.

Law Enforcement Witness Fee Fund

The Law Enforcement Witness Fee Fund is used for the payment of witness fees to off-duty law enforcement officers who in their official capacity are required to be present as a witness in criminal cases. Witness fees are paid from special court costs levied in criminal cases.

Juvenile Assistance Fund

The Juvenile Assistance Fund accounts for the operations of a counseling program for juvenile offenders. Financing is provided through grants from the Lincoln Parish Police Jury, Union Parish Police Jury and the City of Ruston.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES (CONTINUED)
DECEMBER 31, 2016

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Health Unit Fund

The Health Unit Fund accounts for a portion of the maintenance and operations of the parish health unit. Financing is provided by grants from the Lincoln Parish School Board, the City of Ruston, operating transfers from the General Fund and interest earned on bank deposits.

Section 8 Housing Fund

The Section 8 Housing Fund is used to account for rental assistance funds for low-income families. Financing is provided by grants from the United States Department of Housing and Urban Development.

Sewer Fund

The Sewer Fund is used to account for the operations of the Blueberry Hill sewer system. Financing is provided by user fees.

Sewer Equipment Replacement Fund

The Sewer Equipment Replacement Fund accumulates funds for capital outlay expenditures for the replacement and purchase of new equipment and other capital outlay expenditures for the sewer fund.

Mosquito Control Fund

The Mosquito Control Fund is used to account for the operations of the mosquito control program throughout the parish.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2016

	SPECIAL ROAD FUND	SOLID WASTE COLLECTION FUND	SOLID WASTE COLLECTION EQUIPMENT RESERVE FUND	CRIMINAL COURT FUND	LAW ENFORCEMENT WITNESS FEE FUND	SEWER FUND	JUVENILE ASSISTANCE FUND	HEALTH UNIT FUND
ASSETS								
Cash and cash equivalents	\$ -	\$ 1,855,919	\$ 1,295,829	\$ 63,426	\$ 14,616	\$ 92,104	\$ 11,371	\$ 86,172
Investments	782,559	1,026,547	1,653,602	-	-	-	-	-
Receivables	87,977	190,498	-	40,083	-	14,422	-	-
Due from other funds	14,718	25,371	450,000	4,710	-	2,073	-	37,000
Due from other governments	1,294	-	-	-	86	-	-	-
Total assets	\$ 886,548	\$ 3,098,335	\$ 3,399,431	\$ 108,219	\$ 14,702	\$ 108,599	\$ 11,371	\$ 123,172
LIABILITIES AND FUND EQUITY								
Liabilities:								
Cash overdraft	\$ 164,276	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	46,622	13,236	-	40,434	-	1,513	2,678	956
Due to other agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	537,414	61,679	4,710	4,000	8,034	85,081
Due to others	-	-	-	44	-	-	-	-
Total liabilities	210,898	13,236	537,414	102,157	4,710	5,513	10,712	86,037
Fund equity - fund balances (deficit):								
Restricted	-	-	-	-	-	-	-	-
Assigned	675,650	3,085,099	2,862,017	6,062	9,992	103,086	659	37,135
Total fund equity - fund balances	675,650	3,085,099	2,862,017	6,062	9,992	103,086	659	37,135
Total liabilities and fund equity	\$ 886,548	\$ 3,098,335	\$ 3,399,431	\$ 108,219	\$ 14,702	\$ 108,599	\$ 11,371	\$ 123,172

	SECTION 8 HOUSING FUND	SEWER FUND EQUIPMENT REPLACEMENT FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$ 454,193	\$ 100,105	\$ 3,973,735
Investments	-	-	3,462,708
Receivables	-	-	332,980
Due from other funds	-	-	533,872
Due from other governments	-	-	1,380
Total assets	<u>\$ 454,193</u>	<u>\$ 100,105</u>	<u>\$ 8,304,675</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Cash overdraft	\$ -	\$ -	\$ 164,276
Accounts payable	-	-	105,439
Due to other agencies	8,821	-	8,821
Due to other funds	-	7,573	708,491
Due to others	-	-	44
Total liabilities	<u>8,821</u>	<u>7,573</u>	<u>987,071</u>
Fund equity - fund balances (deficit):			
Restricted	394,136	92,532	486,668
Assigned	51,236	-	6,830,936
Total fund equity - fund balances	<u>445,372</u>	<u>92,532</u>	<u>7,317,604</u>
Total liabilities and fund equity	<u>\$ 454,193</u>	<u>\$ 100,105</u>	<u>\$ 8,304,675</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2016

	SPECIAL ROAD FUND	SOLID WASTE COLLECTION FUND	SOLID WASTE COLLECTION EQUIPMENT RESERVE FUND	CRIMINAL COURT FUND	LAW ENFORCEMENT WITNESS FEE FUND	SEWER FUND
Revenues:						
Intergovernmental funds:						
Federal funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other state funds	525,496	-	-	-	-	-
Local	-	-	-	-	-	-
Fees, charges, and commissions for services	-	-	-	589,409	6,784	85,895
Use of money and property	(4,066)	76,995	(12,382)	221	18	-
Total revenues	<u>521,430</u>	<u>76,995</u>	<u>(12,382)</u>	<u>589,630</u>	<u>6,802</u>	<u>85,895</u>
Expenditures:						
Current:						
General government:						
Judicial	-	-	-	589,410	350	-
Other general government	-	-	-	-	-	-
Public works	316,011	834,163	5,561	-	-	93,398
Health and welfare	-	-	-	-	-	-
Capital outlay	224,661	44,396	248,776	-	-	-
Total expenditures	<u>540,672</u>	<u>878,559</u>	<u>254,337</u>	<u>589,410</u>	<u>350</u>	<u>93,398</u>
Excess (deficiency) of revenues over expenditures	(19,242)	(801,564)	(266,719)	220	6,452	(7,503)
Other sources (uses):						
Operating transfers in	-	1,050,795	-	-	-	-
Net change in fund balances	(19,242)	249,231	(266,719)	220	6,452	(7,503)
Fund balances at beginning of year (restated)	694,892	2,835,868	3,128,736	5,842	3,540	110,589
Fund balances at end of year	<u>\$ 675,650</u>	<u>\$ 3,085,099</u>	<u>\$ 2,862,017</u>	<u>\$ 6,062</u>	<u>\$ 9,992</u>	<u>\$ 103,086</u>

	JUVENILE ASSISTANCE FUND	HEALTH UNIT FUND	SECTION 8 HOUSING FUND	SEWER FUND EQUIPMENT REPLACEMENT FUND	TOTAL
Revenues:					
Intergovernmental funds:					
Federal funds	\$ -	\$ -	\$ 547,781	\$ -	\$ 547,781
Other state funds	-	-	-	40,000	565,496
Local	40,413	5,000	-	-	45,413
Fees, charges, and commissions for services	-	-	-	-	682,088
Use of money and property	18	(1,767)	845	-	59,882
Total revenues	40,431	3,233	548,626	40,000	1,900,660
Expenditures:					
Current:					
General government:					
Judicial	32,136	-	-	-	621,896
Other general government	-	-	250	-	250
Public works	-	-	-	56,275	1,305,408
Health and welfare	-	18,114	497,140	-	515,254
Capital outlay	-	-	-	-	517,833
Total expenditures	32,136	18,114	497,390	56,275	2,960,641
Excess (deficiency) of revenues over expenditures	8,295	(14,881)	51,236	(16,275)	(1,059,981)
Other sources (uses):					
Operating transfers in	-	18,500	-	-	1,069,295
Net change in fund balances	8,295	3,619	51,236	(16,275)	9,314
Fund balances at beginning of year (restated)	(7,636)	33,516	394,136	108,807	7,308,290
Fund balances at end of year	\$ 659	\$ 37,135	\$ 445,372	\$ 92,532	\$ 7,317,604

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
DECEMBER 31, 2016

NONMAJOR CAPITAL PROJECTS FUNDS

Park and Recreation Fund

The Park and Recreation Fund is used to account for the development and operation of a parish-wide park system. Financing is provided primarily by operating transfers from the General Fund and self-generated revenues from entrance fees and shelter rentals.

Courthouse Capital Projects Fund

The Courthouse Capital Projects Fund is used to account for renovations of the Courthouse. Financing is provided primarily by operating transfers from the General Fund.

North Louisiana Exhibition Center Fund

The North Louisiana Exhibition Center Fund is used to account for the development and operation of an exhibition center for livestock shows. Financing is provided primarily by donations and self-generated revenues from entry fees.

Bridge Replacement and Road Improvement Fund

The Bridge Replacement and Road Improvement Fund was created to account for the replacement of bridges and improvements to roads throughout the parish as set forth in the Capital Improvement Program. It is funded from one-half of the interest proceeds from the Hospital Proceeds Investment Fund.

Louisiana Community Development Block Grant – Waterworks District #3

The LCDBG – Waterworks District #3 Fund is used to account for the improvements to the Waterworks District #3 water and sewer equipment, with funding provided by federal grant funds.

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

AS OF DECEMBER 31, 2016

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Fund	TOTAL
ASSETS					
Cash and cash equivalents	\$ 309,334	\$ 1,042,750	\$ 47,561	\$ 391,387	\$ 1,791,032
Receivables	19,609	-	1,000	-	20,609
Due from other funds	18,407	1,076,179	35,688	394,030	1,524,304
Due from other governments	-	34,608	-	-	34,608
Total assets	<u>347,350</u>	<u>2,153,537</u>	<u>84,249</u>	<u>785,417</u>	<u>3,370,553</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	4,236	4,886	2,716	241,064	252,902
Due to other agencies	489	280,914	237	-	281,640
Due to other funds	9,597	13,120	36,186	-	58,903
Total liabilities	<u>14,322</u>	<u>298,920</u>	<u>39,139</u>	<u>241,064</u>	<u>593,445</u>
Fund equity - fund balances:					
Assigned	<u>333,028</u>	<u>1,854,617</u>	<u>45,110</u>	<u>544,353</u>	<u>2,777,108</u>
Total liabilities and fund equity	<u>\$ 347,350</u>	<u>\$ 2,153,537</u>	<u>\$ 84,249</u>	<u>\$ 785,417</u>	<u>\$ 3,370,553</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Park and Recreation Fund	Courthouse Capital Project Fund	North Louisiana Exhibition Center Fund	Bridge Replacement Fund	TOTAL
Revenues:					
Taxes:					
Other taxes, penalties, and interest	\$ 136,411	\$ -	\$ -	\$ -	\$ 136,411
Intergovernmental funds:					
Other state funds	19,167	-	-	-	19,167
Fees, charges, and commissions for services	113,355	-	64,105	-	177,460
Use of money and property	138,481	2,742	78,492	-	219,715
Other revenues	43,872	-	3,412	-	47,284
Total revenues	<u>511,072</u>	<u>2,742</u>	<u>146,009</u>	<u>-</u>	<u>659,823</u>
Expenditures:					
Current:					
General government	-	171,547	952	-	172,499
Public works	-	-	85,574	362,312	447,886
Culture and recreation	471,593	-	122,515	-	594,108
Total expenditures	<u>471,593</u>	<u>171,547</u>	<u>209,041</u>	<u>362,312</u>	<u>1,214,493</u>
Excess (deficiency) of revenues over expenditures	<u>39,479</u>	<u>(168,805)</u>	<u>(63,032)</u>	<u>(362,312)</u>	<u>(554,670)</u>
Other sources (uses):					
Operating transfers in	<u>50,000</u>	<u>423,635</u>	<u>85,000</u>	<u>394,030</u>	<u>952,665</u>
Net change in fund balances	89,479	254,830	21,968	31,718	397,995
Fund balances (deficit) at beginning of year	243,549	1,599,787	23,142	512,635	2,379,113
Fund balances (deficit) at end of year	<u>\$ 333,028</u>	<u>\$ 1,854,617</u>	<u>\$ 45,110</u>	<u>\$ 544,353</u>	<u>\$ 2,777,108</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
AS OF DECEMBER 31, 2016

	Library Bond Sinking Fund	LPPJ Complex II Bond Sinking Fund	TOTAL
ASSETS			
Cash and cash equivalents	\$ 451,571	\$ 156,573	\$ 608,144
Receivables	346,653	-	346,653
Due from other funds	26,224	-	26,224
Total assets	<u>\$ 824,448</u>	<u>\$ 156,573</u>	<u>\$ 981,021</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 11,147	\$ -	\$ 11,147
Fund equity - fund balances:			
Assigned	813,301	156,573	969,874
Total liabilities, deferred inflows, and fund equity	<u>\$ 824,448</u>	<u>\$ 156,573</u>	<u>\$ 981,021</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

NONMAJOR DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Library Bond Sinking Fund	LPPJ Complex II Bond Sinking Fund	TOTAL
Revenues:			
Taxes:			
Ad valorem	\$ 333,524	\$ -	\$ 333,524
Use of money and property	491	183,684	184,175
Total revenues	<u>334,015</u>	<u>183,684</u>	<u>517,699</u>
Expenditures:			
Debt service	<u>413,323</u>	<u>190,450</u>	<u>603,773</u>
Net change in fund balances	(79,308)	(6,766)	(86,074)
Fund balances (deficit) at beginning of year	<u>892,609</u>	<u>163,339</u>	<u>1,055,948</u>
Fund balances (deficit) at end of year	<u>\$ 813,301</u>	<u>\$ 156,573</u>	<u>\$ 969,874</u>

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA

**Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer**

FOR THE YEAR ENDED DECEMBER 31, 2016

	Theresa Wyatt Police Juror	Annette Straughter Police Juror	Randy Roberson Police Juror	Bobby Bennett Police Juror	Walter Pullen Police Juror	Sharyon Mayfield Police Juror
Salary	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00
Benefits-Insurance	-	-	-	-	-	-
Benefits-Retirement	-	-	-	-	-	-
Benefits-Other (describe) Dental	-	-	-	-	-	-
Car Allowance	-	-	-	-	-	-
Travel Reimbursements	-	664.02	-	-	154.19	2,324.97
Dues	-	-	-	-	-	50.00
Conference Registration	-	275.00	-	275.00	275.00	765.00
Totals	\$ 10,500.00	\$ 11,439.02	\$ 10,500.00	\$ 10,775.00	\$ 10,929.19	\$ 13,639.97

	Joe Henderson Police Juror	David Hammons Police Juror	Skip Russell Police Juror	Nancy Wilson Police Juror	Hazel Hunter Police Juror	Jody Backus Police Jury President	Laura Hartt Treasurer	Courtney Hall Administrator
Salary	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	\$ 11,700.00	\$ 65,339.20	\$ 103,438.40
Benefits-Insurance	-	-	-	-	-	-	18,015.92	18,015.92
Benefits-Retirement	-	-	-	-	-	-	8,494.00	13,446.94
Benefits-Other (describe) Dental	-	-	-	-	-	-	825.00	825.00
Car Allowance	-	-	-	-	-	-	-	672.00
Travel Reimbursements	-	-	-	2,037.26	2,500.41	70.38	70.38	-
Dues	-	-	-	-	50.00	-	-	-
Conference Registration	-	-	-	765.00	765.00	275.00	275.00	275.00
Totals	<u>\$ 10,500.00</u>	<u>\$ 10,500.00</u>	<u>\$ 10,500.00</u>	<u>\$ 13,302.26</u>	<u>\$ 13,815.41</u>	<u>\$ 12,045.38</u>	<u>\$ 93,019.50</u>	<u>\$ 136,673.26</u>

OTHER SUPPLEMENTAL INFORMATION –
COMPLIANCE REQUIREMENTS

WILLIAM R. HULSEY

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Lincoln Parish Police Jury
Ruston, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lincoln Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Lincoln Parish Police Jury's basic financial statements, and have issued our report thereon dated May 31, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Lincoln Parish Police Jury's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lincoln Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lincoln Parish Police Jury's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

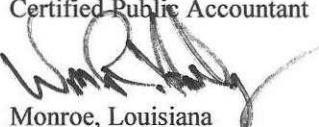
Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

WILLIAM R. HULSEY (APAC)
Certified Public Accountant


Monroe, Louisiana
May 31, 2017

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016

Summary of Auditor's Results

1. The auditor's report expresses the following opinions on whether the financial statements of the Police Jury were prepared in accordance with GAAP:
 - a. Governmental Activities – Unmodified
 - b. Aggregate Discretely Presented Component Units – Adverse
 - c. Governmental Funds – Each Major Fund – Unmodified
 - d. Aggregate remaining fund information - Qualified
2. No significant deficiencies were disclosed during the audit of the financial statements and reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the District, which would be required to be reported in accordance with *Government Audit Standards*, were disclosed during the audit.

Findings – Financial Statement Audit

None

LINCOLN PARISH POLICE JURY
RUSTON, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016

Internal Control and Compliance Material to Federal Awards

Not applicable

Internal Control and Compliance Material to Financial Statements

Not applicable

Management Letter

Not applicable