

*Advances and Bonuses*

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

*A reading of the minutes of Washington Parish Communications District for the year indicated no approval for the payments noted. A review of the Washington Parish Communications District check register disclosed no payments which may have constituted bonuses, advances, or gifts.*

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Washington Parish Communications District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant

Bogalusa, Louisiana  
January 31, 1997

### *Accounting and Reporting*

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for each of the six selected disbursements for 1996 and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All payments were coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Treasurer and Chairman of the Board. In addition, all major purchases were approved by the full board.

### *Meetings*

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RLS 42:1 through 42:12 (the open meetings law).

Management advertised each meeting in its official journal.

### *Debt*

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

*Code of Ethics for Public Officials and Public Employees*

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1331-1334 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (2) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management appeared on the list provided by management in agreed-upon procedure (2).

*Budgeting*

5. Obtain a copy of the legally adopted budget and all amendments.

Because the district operates as an enterprise fund, neither state statute nor generally accepted accounting principles requires that a budget be adopted.

6. Trace the budget adoption and amendments to the minute book.

N/A

7. Compare the revenues and expenses of the final budget to actual revenues and expenses to determine if actual revenues or expenses exceed budgeted amounts by more than 5%.

N/A

**INDEPENDENT ACCOUNTANTS REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Board of Commissioners  
Washington Parish Communications District  
Franklin, LA

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Washington Parish Communications District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Washington Parish Communications District's compliance with certain laws and regulations during the year ended December 31, 1996, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below other than for the purpose for which this report has been requested or for any other purpose.

*Public Bid Law*

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$5,000 and no expenditures for public works.

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
 Franklinton, Louisiana  
 Notes to the General-Purpose Financial Statements (continued)

collected bank balances). These deposits, along with investments, exceed the federal deposit insurance limit by \$10,799, and are considered noninsured (Category 3) by GAOB Statement 3.

3. INVESTMENTS

At December 31, 1996, the district held investments of Certificates of Deposit totaling \$40,000.

4. RECEIVABLES

The following is a summary of receivables at December 31, 1996:

Bell South	\$12,475
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5. PROPERTY, PLANT AND EQUIPMENT

A summary of fixed assets at December 31, 1996 follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Aerial maps	\$ 10,000	\$ 7,979	\$ 2,020
Office equipment & furniture	25,497	18,137	7,360
Records	<u>36,091</u>	<u>29,300</u>	<u>6,791</u>
Total	\$ 71,588	\$ 55,416	\$ 16,172

Depreciation is computed on a straight-line basis over the estimated useful lives ranging from five to ten years.

6. PENSION PLAN

The district's employees are participants in the federal social security system. Employees contribute 7.65% of their pay and the district matches 7.65%. The district has no liability for benefit payments other than current payroll taxes.

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (continued)

Employees of the district earn vacation leave at varying rates according to years of service. Vacation leave must be taken during the year earned. However, upon termination employees are paid for any unused vacation leave earned during the year.

Employees earn 12 days of sick leave each year. A total of 45 days may be accumulated. All accumulated sick leave lapses upon termination.

**I. LONG-TERM LIABILITIES**

Long-term liabilities are recognized within the Enterprise Fund.

**J. FUND EQUITY**

**Reserves-**

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

**Designated Fund Balances-**

Designated fund balances represent tentative plans for future use of financial resources.

**2. CASH AND CASH EQUIVALENTS**

At December 31, 1996, the district had cash and cash equivalents (bank balances) totaling \$76,174.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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. At December 31, 1996, the district had \$76,799 in deposits

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (continued)

fund or a special revenue fund. The Washington Parish Communications District is organized and maintains its accounts in an Enterprise Fund; therefore, the district is not required by state regulations or generally accepted accounting principles to adopt a budget.

**F. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, and interest-bearing demand deposits. The district includes in cash and cash equivalents, amounts in time deposits and those investments in bank certificates of deposits with original maturities of no more than 90 days. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. Investments are stated at cost.

**G. FIXED ASSETS**

Fixed assets of the district are stated on the balance sheet of the fund at historical cost. Depreciation of all depreciable fixed assets is charged as an expense against operations. Fixed assets reported on the balance sheet are net of accumulated depreciation (if reported net on the balance sheet). Depreciation is computed using the straight-line method over the estimated useful life. Estimated useful lives are as follows:

Maps	10 years
Equipment	7 years
Computer equipment	5 years

**II. COMPENSATED ABSENCES**

The cost of current leave privileges, computed in accordance with GASB Codification Section 600, is recognized as a current-year expenditure in the proprietary fund when leave is actually taken.

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (continued)

(Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Enterprise Fund is accounted for on a flow of economic resources measurement focus and a determination of net income and capital maintenance. With this measurement focus, all assets and all liabilities associated with the operation of this fund is included on the balance sheet. The accrual basis of accounting is used. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. The Enterprise Fund uses the following practices in recording certain revenues and expenses:

**Revenues**

On November 10, 1988, the voters of Washington Parish approved a levy that is equal 5% of the tariff rate approved by Public Service Commission, on each private and commercial telephone to fund the enhanced 911 emergency telephone service. Beginning January 1, 1989, South Central Bell Telephone Company (SCB) began collecting a service charge of \$3.25 per residential and \$1.40 per commercial telephone line. SCB remits monthly collections (less a 1% administrative fee) to the district by the fifteenth (15th) day of the following month. These revenues are recognized in the month of collection by SCB.

**Expenses**

The district records expenses when the liability has been incurred.

**E. BUDGET PRACTICES**

As per Louisiana Revised Statute 32:1801, budget preparation and adoption is required for all political subdivisions of the state with a general



WASHINGTON PARISH COMMUNICATIONS DISTRICT  
Franklinton, Louisiana  
Notes to the General-Purpose Financial Statements (continued)

which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Washington Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. 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.

Because the police jury appoints the district's governing body and imposes its will, the district was determined to be a component unit of the Washington Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

#### C. FUND ACCOUNTING

The Washington Parish Communications District is organized and operated on a fund basis whereby a self-balancing set of accounts

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
(A Component Unit of the Washington Parish Police Jury)  
Franklinton, Louisiana

Notes to the General-Purpose Financial Statements  
As of and for the year ended December 31, 1996

## INTRODUCTION

The Washington Parish Communications District (the district) was created by the Washington Parish Police Jury on May 17, 1988 under the provisions authorized by Louisiana Revised Statute 28:9101-9106. The purpose of the district is to establish and manage operations of an enhanced 911 emergency telephone system in Washington Parish. The district is governed by a seven (7) member board appointed by the police jury. Board members receive no compensation.

The district serves all of Washington Parish, approximately 18,000 residences and business establishments. It has equipped four public safety answering points: Washington Parish Sheriff's Office, Franklinton Police Department, Bogalusa Police Department, and Bogalusa Fire Department with enhanced 911 equipment. Each answering point is staffed by the respective agency's personnel. The district employs a director and part-time clerical staff worker.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. BASIS OF PRESENTATION

The accompanying general-purpose financial statements of the Washington Parish Communications District have been prepared in conformity with generally accepted accounting principles 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.

### B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Washington Parish Police Jury is the financial reporting entity for Washington Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
 (A Component Unit of the Washington Parish Police Jury)  
 Franklinton, Louisiana  
 ALL FUND TYPES

Statement of Cash Flows  
 For the year ended December 31, 1998

	Proprietary Fund Type Enterprise Fund	
<b>Cash flows from operating activities:</b>		
Operating income	\$ 24,215	\$
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation	7,069	
Changes in assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	(200)	
Prepaid expenses	(180)	
Increase (decrease) in accounts payable and accrued expenses	222	
Net cash provided by operating activities		24,986
<b>Cash flows from investing activities:</b>		
Payment for property and equipment	(3,580)	
Net cash provided by investing activities		(3,580)
Net cash increase (decrease) for the year		19,386
Cash at beginning of year		86,788
Cash at end of year		106,174

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
 (A Component Unit of the Washington Parish Police Jury)  
 Franklinton, Louisiana  
**ALL FUND TYPES**

**Statement of Revenue, Expenses,  
 and Changes in Retained Earnings  
 For the year ended December 31, 1996**

		<u>Proprietary Fund Type</u> <u>Estimable Fund</u>
<b>Revenue:</b>		
Emergency telephone service charge	\$ 148,308	\$
Interest	2,082	
Sign income	208	
Map income	1,877	
Other income	-----	\$
Total revenue		154,115
<b>Expenses:</b>		
Service and maintenance fee	74,826	
Salaries	38,534	
Payroll taxes	2,407	
Depreciation	7,020	
Maintenance contract	4,486	
Repairs & maintenance	877	
Rent	2,640	
Office	1,383	
Utilities	2,254	
Signs	2,494	
Map reprints	200	
Legal and professional	2,735	
Insurance	1,684	
Taxes	280	
Miscellaneous	-----	\$
Total expenses		135,081
Net income for the year		19,034
Retained earnings, beginning		123,618
Retained earnings, ending		\$ 142,652

The accompanying notes are an integral part of this statement.

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
 (A Component Unit of the Washington Parish Police Jury)  
 Franklinton, Louisiana  
 ALL FUND TYPES AND ACCOUNT GROUPS

Balance Sheet  
 December 31, 1996

	Proprietary Fund Type Enterprise Fund	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 75,174	\$
Investments	40,000	
Accounts receivable	12,475	
Prepaid expense	3,000	
Total current assets		132,649
Property, plant and equipment	52,218	
Less accumulated depreciation	(35,542)	
Net property, plant and equipment		16,676
Other assets:		
Utility deposit	505	
Total other assets		505
Total Assets		\$ 149,830
<b>LIABILITIES AND FUND EQUITY</b>		
Liabilities:		
Current liabilities:		
Accounts payable	\$ 4,200	\$
Accrued payroll taxes	810	
Total current liabilities		5,010
Fund equity:		
Retained earnings:		
Designated:		
Designated for road signs	5,163	
Designated for aerial map revision	10,000	
Designated for equipment replacement	20,000	
Undesignated	55,637	
Total fund equity		90,800
Total Liabilities and Fund Equity		\$ 149,830

The accompanying notes are an integral part of this statement.

# RICHARD M. SEAL

CERTIFIED PUBLIC ACCOUNTANT • CERTIFIED GOVERNMENT FINANCIAL MANAGER

## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Commissioners  
Washington Parish Communications District  
Franklinton, Louisiana

I have compiled the accompanying general purpose financial statements of the Washington Parish Communications District, a component unit of the Washington Parish Police Jury, as of and for the year ended December 31, 1996, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying general-purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Certified Public Accountant

Hopkins, Louisiana  
January 31, 1997

WASHINGTON PARISH COMMUNICATIONS DISTRICT  
(A Component Unit of the Washington Parish Police Jury)  
Franklinton, Louisiana

December 31, 2006

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**WASHINGTON PARISH COMMUNICATIONS DISTRICT**  
*(A Component Unit of the Washington Parish Police Jury)*  
*Franklinston, Louisiana*

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*Independent Accountant's Compilation Report*  
*Independent Accountant's Report on Applying*  
*Agreed-upon Procedures*

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*As of and for the Year Ended December 31, 1996*

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Under provisions of state law, this report is a public document. A copy of this report may be ordered or made available to the public, and to all state agencies, public officials. The report is available for public inspection at the Fiscal Agency office of the Legislative Auditor and, upon request, at the office of the parish clerk of court.

Release Date APR 02 1997

**RICHARD M. SEAJ**