

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

**Independent Accountant's Compilation Report
With Supplemental Information Schedules
&
Independent Accountant's Report on Applying
Agreed-Upon Procedures**

As of and for the Year Ended December 31, 2002

Washington Parish Communications District
Of The
Washington Parish Government
Franklinton, Louisiana

Component Unit Financial Statements
With supplemental Information Schedules
&
Independent Accountant's Report on
Agreed-Upon Procedures
As of and for the Year Ended December 31, 2002

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WASHINGTON PARISH COMMUNICATIONS DISTRICT
FRANKLINTON, LOUISIANA

TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

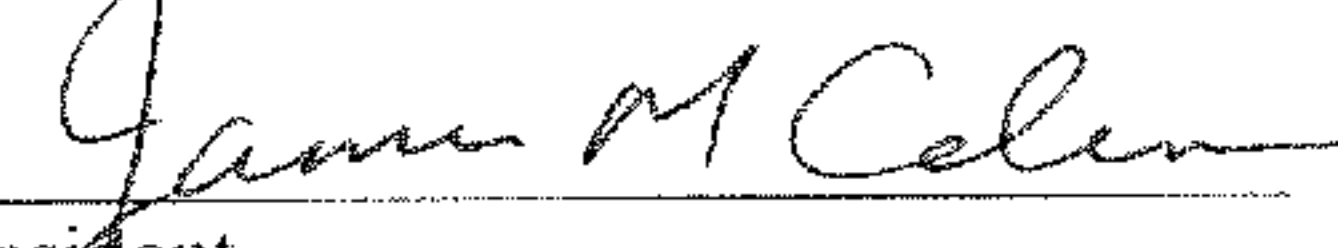
FEBRUARY 11, 2003

Office of the Legislative Auditor
P O Box 94397
Baton Rouge, LA 70804-9397

Dear Sir:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Washington Parish Communications District as of and for the fiscal year ended December 31, 2002. The report includes all funds under the control and oversight of the District. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely;




President

WASHINGTON PARISH COMMUNICATIONS DISTRICT
FRANKLINTON, LOUISIANA

ANNUAL SWORN GENERAL-PURPOSE
FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2002

AFFIDAVIT

Personally came and appeared before the undersigned authority, James Coleman who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Washington Parish Communications District as of December 31, 2002, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.


Signature

Sworn to and subscribed before me, this 11th day of March, 2003.


Notary Public

Officer _____
Address _____
Telephone # _____

WILLIAM R DURDEN, LLC
Certified Public Accountant

820 11th AVENUE
FRANKLINTON, LOUISIANA 70438
(985)839-4413
FAX (985)839-4402

MEMBER
A.I.C.P.A.

MEMBER
L.C.P.A.

Washington Parish Council
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 Government, and the Louisiana Attestation Questionnaire, as of and for the year ended December 31, 2002, in accordance with the Statements of 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 express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Audit Guide* and the provisions of state law, I have issued a report, dated February 11, 2003, on the results of my agreed-upon procedures.



William R. Durden
Certified Public Accountant

Franklinton, Louisiana
February 12, 2003

FINANCIAL STATEMENTS

WASHINGTON PARISH COMMUNICATIONS DISTRICT
(A Component Unit of the Washington Parish Government)
Franklinton, Louisiana
PROPRIETARY FUND TYPE

BALANCE SHEET
December 31, 2002

ASSETS

Cash and Cash Equivalents	\$ 35,638
Investments	365,199
Accounts Receivable	48,293
Prepaid Insurance	4,279
Utility Deposits	315
Capital Assets (Net of Accumulated Depreciation)	58,776
Total Assets	<u>512,500</u>

Liabilities

Accounts Payable	\$ 7,344
Payroll taxes payable	1,230
Salaries Payable	1,913
Total Liabilities	<u>10,487</u>

Fund Equity

Restricted for Road Signs	5,163
Restricted for Aerial Map Revision	10,000
Restricted for Equipment Replacement	30,000
Unrestricted	456,850
Total Fund Equity	<u>502,013</u>
Total Liabilities and Fund Equity	<u>512,500</u>

See accountant's report and accompanying notes to financial statements

WASHINGTON PARISH COMMUNICATIONS DISTRICT
(A Component Unit of the Washington Parish Government)
Franklinton, Louisiana
PROPRIETARY FUND TYPE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN RETAINED EARNINGS
Year ended December 31, 2002

Operating Revenues:	
Wireline Income	\$ 159,268
Wireless Income	165,609
Map Income	425
Interest Income	6,083
Sign Fund Income	77
Total Revenue	331,462
Operating Expenses:	
Service & Maintenance	89,282
Salaries	49,806
Telephone	4,907
Travel	587
Depreciation	13,773
Public Education	515
Accounting	7,621
Office Supplies	3,480
Insurance	4,948
Payroll Taxes	3,857
Legal Fees	2,400
Repairs & Maintenance	463
Rent	2,820
Training	1,508
Automobile Expense	1,132
Utilities	723
Dues & Subscriptions	287
Map Reprints	515
Bank Charges	158
Street Signs	1,098
Entertainment & Meals	668
Professional Fees	20,170
Miscellaneous	197
	210,915
Net Income for the year	120,547
Retained Earnings, Beginning of Year	381,466
Retained Earnings, End of Year	502,013

See accountant's report and accompanying notes to financial statements

WASHINGTON PARISH COMMUNICATIONS DISTRICT
(A Component Unit of the Washington Parish Government)
Franklinton, Louisiana
PROPRIETARY FUND TYPE

STATEMENT OF CASH FLOWS
Increase(decrease) in Cash and Cash Equivalents
Year ended December 31, 2002

Cash flows from operating activities:

Operating income (Loss)	\$ 120,547
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Adjustments to reconcile net operating income
to net cash provided by operating activities:

Depreciation	13,773
(Increase) Decrease in Accounts Receivable	6,246
(Increase) Decrease in Prepaid Insurance	(4,279)
Increase (Decrease) in Accounts Payable and accrued expenses	(4,951)

Net cash provided (used) by Operating Activities	131,336
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Cash flows from Capital and related Financing Activities:

Payments for property and equipment	(24,893)
-------------------------------------	----------

Net cash used by Capital and Financing Activities	(24,893)
---	----------

Cash flows from Investing Activities:

Payments for the purchase of Certificates of Deposits	(111,511)
---	-----------

Net cash provided by investing activities	(111,511)
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Net Change in Cash and Cash Equivalents	(5,068)
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Cash and Cash Equivalents, Beginning of Year	40,701
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Cash and Cash Equivalents, End of Year	35,633
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See accountant's report and accompanying notes to financial statements

WASHINGTON PARISH COMMUNICATIONS DISTRICT
(A Component Unit of the Washington Parish Government)
Franklinton, Louisiana
PROPRIETARY FUND TYPE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN RETAINED EARNINGS-BUDGET AND ACTUAL
December 31, 2002

	Budget	Amended Budget	Actual	Variance
Revenues:				
Wireline Income	\$ 160,810	\$ 144,300	\$ 159,268	\$ 14,968
Wireless Income	86,981	155,100	165,609	10,509
Map Income	900	500	425	(75)
Interest Income	10,000	6,100	6,083	(17)
Sign Fund Income	-	-	77	77
Grant Funding	15,000	7,000	-	(7,000)
Total Revenue	<u>273,691</u>	<u>313,000</u>	<u>331,462</u>	<u>18,462</u>
Expenses:				
Service & Maintenance	87,000	82,000	89,282	(7,282)
Salaries	47,416	48,000	49,806	(1,806)
Telephone	2,500	4,500	4,907	(407)
Travel	8,000	1,000	587	413
Depreciation	11,000	13,000	13,773	(773)
Public Education	6,000	600	515	85
Accounting	-	7,600	7,621	(21)
Office Supplies	5,000	4,000	3,480	520
Insurance	8,000	8,700	4,948	3,752
Payroll Taxes	3,665	3,800	3,857	(57)
Legal Fees	8,000	2,400	2,400	-
Repairs & Maintenance	3,000	600	463	137
Rent	2,700	2,800	2,820	(20)
Training	3,000	1,600	1,508	92
Automobile Expense	-	1,200	1,132	68
Utilities	600	700	723	(23)
Dues & Subscriptions	-	-	287	(287)
Map Reprints	1,000	500	515	(15)
Bank Charges	-	-	158	(158)
Street Signs	500	1,200	1,098	102
Entertainment & Meals	-	900	668	232
Professional Fees	-	26,700	20,170	6,530
Miscellaneous	1,500	800	197	603
Mapping Project	28,000	-	-	-
Total Expenses	<u>226,881</u>	<u>212,600</u>	<u>210,915</u>	<u>1,685</u>
Net Income for the year	46,810	100,400	120,547	16,777
Retained Earnings, Beginning of Year	<u>381,466</u>	<u>381,466</u>	<u>381,466</u>	
Retained Earnings, End of Year	<u><u>428,276</u></u>	<u><u>481,866</u></u>	<u><u>502,013</u></u>	

See accountant's report and accompanying notes to financial statements

NOTES TO FINANCIAL STATEMENTS

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

Notes to the Financial Statements
As of and for the Year Ended December 31, 2002

INTRODUCTION

The Washington Parish Communications District (The District) was created by the Washington Parish Government on May 17, 1988 under the provisions authorized by Louisiana Revised Statute 33:9101-9106. 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 parish government. Board members receive no compensation.

The District 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.

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 (GAPP) 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 Government is the financial reporting entity for Washington Parish. The financial reporting entity consists of (a) the primary government, Parish Council, (b) organizations for which the primary government is financially accountable, and (c) other organizations for 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.

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Washington Parish Government 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 parish government 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 parish government.
2. Organizations for which the parish government does not appoint a voting majority but are *fiscally dependent on the parish government*.
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 parish government appoints the District's governing board and has the ability to significantly influence operations, the District was determined to be a component unit of the Washington Parish Government, 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 (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.

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

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

Wireline:

On November 10, 1988, the voters of Washington Parish approved a levy not to exceed 5% of the tariff rate approved by Public Service Commissions, 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 \$.55 per residential and \$1.43 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. Currently, there are approximately 17,000 residential and 3,000 commercial line in the Parish.

Wireless:

On December 15, 2000, an agreement for Phase I E-911 Services as entered into between the Washington Parish Communications District and Bell South Mobility as per the Federal Communications Commission in its Report and Order and Further Notice of Proposed Rulemaking in FCC docket No. 94-102, released on July 26, 1996, which requires cellular and broadband PCS licensees and certain wireless licensees to initiate action for the provision of Phase I E-911 service (as defined in the FCC Order), which will enable such licensees to relay a caller's mobile directory number information and the location of a cell site receiving a 911 call to the designated Communications District.

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

This agreement allows the Communications District to collect a monthly fee of \$.085 per cellular subscriber per month minus a collection fee not to exceed \$0.15 per cellular subscriber per month. While not governed by this agreement, various other cellular providers are collecting monthly fees from their subscribers and remitting the fees to the Communications District.

Expenses

The district records expenses when the liability has been incurred.

E. BUDGET PRACTICES

The proposed budget for 2002 was presented for adoption at the December 2001 board meeting held by the District on December 2, 2001. The budget is prepared on the accrual basis of accounting. The board reviewed the 2002 budget and amended the budget at its December 3, 2002 meeting. The amended 2002 budget and the 2003 budget were adopted at the December meeting.

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 amortized cost.

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

G. FIXED ASSETS

Fixed assets of the district are stated on the balance sheet of the enterprise fund at historical cost. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

Vehicles	5 years
Equipment	7 years
Computer equipment	5 years

H. COMPENSATED ABSENCES

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized, as current-year expenditures in the proprietary fund when leave is actually taken.

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.

The liability for compensated absences at December 31, 2002, was computed using current compensation rates multiplied by the accumulated leave for each of the two employees.

I. LONG-TERM LIABILITIES

Long-term liabilities consist of debt or other obligations that have maturities in excess of one year.

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

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, 2002, the district had cash and cash equivalents (book balances) totaling \$35,638.

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 of deposit with the fiscal agent. At December 31, 2002, the district had \$35,438 in deposits (collected bank balances), which were secured by federal deposit insurance.

3. INVESTMENTS

At December 31, 2002, the district held investments of Certificates of Deposit in four local banks amounting to \$365,200, as follows:

Hibernia National Bank	\$ 145,173
Parish National Bank	84,219
Zellco Federal Credit Union	60,807
Citizens Savings Bank	75,000
	<u>\$ 365,199</u>

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

These investments are stated at cost, which approximates market. Under state law, these investments 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 bank. The District had certain credit risk because bank deposits in one bank exceeded the amount of FDIC insurance and no additional securities owned by the bank had been pledged to the District. At December 31, 2002 the District had collected bank balances at Hibernia National Bank of \$180,606, creating a credit risk of \$80,606.

4. RECEIVABLES

The following is a summary of receivables at December 31, 2002:

Wire-line service:		
Bell South		\$ 12,970
Wireless (celluar) service:		
Cingular	\$ 27,970	
Sprint	4,125	
Other providers	2,528	
Total Wireless		34,623
Other receivables		700
Total Receivables		<u>\$ 48,293</u>

5. PROPERTY, PLANT AND EQUIPMENT

A summary of fixed assets at December 31, 2002 follows:

	Cost	Accumulated Depreciation	Net
Vehicles	\$ 29,328	\$ 8,798	\$ 20,530
Office equipment & furniture	22,259	14,928	\$ 7,331
Other equipment	5,306	2,077	\$ 3,229
Recording equipment	67,089	57,587	\$ 9,502
Land	18,184		\$ 18,184
Total	<u>\$ 142,166</u>	<u>\$ 83,390</u>	<u>\$ 58,776</u>

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

Depreciation is computed on a straight-line basis for financial statement purposes, over useful lives ranging from five to ten years.

6. ADDENDA TO FINANCIAL REPORT REQUIRED BY LRS 33:9101 ET SEQ.

In accordance with LSR 33:9101 et seq. and the Legislative Auditor Memorandum dated March 22, 2000, following is a summary of revenues derived from wireless service charges, how such funds were expended, and the progress of phase I Implementation.

As of December 31, 2002:

Total funds received from wireless service charges	\$ 213,825.
Expenditures made solely for wireless 9-1-1	- 18,184.
Expenditures made solely for wireline 9-1-1	195,641.

Percentage of balance of expenditures attributable to wireless 9-1-1 (total balance of expenditures multiplied by the percentage of wireless calls received by the District to the total number of calls received).	0%
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Status of Phase I Implementation:

The Washington Parish Communications District is aggressively developing a comprehensive plan to consolidate the four existing PSAP's to provide enhanced communications services (including Phase I E911) to the citizens of Washington Parish and the emergency services located therein. The land has been acquired at a cost of \$18,184. Building and equipment cost of this proposed system, while not finalized as yet, is well beyond the present retained earnings of the District, and will require additional grant or debt funding. Grant funds in the amount of 1.4 million dollars was requested in 2002, but denied. It is anticipated that additional system operating costs will be requested by Parish-wide vote in 2003. Thus, it is expected that Phase I implementation in Washington Parish will occur in 2004.

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

Notes to the Financial Statements (continued)
As of and for the Year Ended December 31, 2002

7. LITIGATION AND CLAIMS

As of December 31, 2002 there were no litigations or claims against the District.

8. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period covered by these financial statements.

9. SUBSEQUENT EVENTS

There were no subsequent events after the balance sheet date requiring disclosure.

INDEPENDENT
ACCOUNTANT'S REPORT

WILLIAM R DURDEN, LLC
Certified Public Accountant

820 11th AVENUE
FRANKLINTON, LOUISIANA 70438
(985)839-4413
FAX (985)839-4402

MEMBER
A.I.C.P.A.

MEMBER
L.C.P.A.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Washington Parish Council
Board of Commissioners
Washington Parish
Communications District
Franklinton, Louisiana

Commissioners:

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Washington Parish Communications District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2002, 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 either 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 \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSR-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$15,000, or for public works exceeding \$100,000.

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 42:1101-1125 (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 (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members. Also determine if any vendors included in procedure (2) were included in any cash disbursements listing.

None of the employees included on the list of employees provided by management (3) appeared on the list provided by management in procedure (2). None of the business interest provided in procedure (2) were listed in the cash disbursement journals for 2002.

Budgeting

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

Management provided me with copies of the original and amended budgets for 2002.

6. Trace the budget adoption and amendment adoptions to the minute book.

The original budget for the year ended December 31, 2002, was adopted at the regular meeting held by the District on December 2, 2001, and made a part of the minutes of that meeting. The 2002 budget was amended at the regular meeting held on December 3, 2002.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than five percent (5%)

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual operating revenues for the year exceeded budget amounts by 69.7%. Actual expenditures for the year were less than budget amounts by 0.8%.

8. Randomly select six 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 twelve selected disbursements and found that payment was for the proper amount and made to the correct payee for each disbursement.

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

I found that payments were properly coded to the correct fund and general ledger account for each of the twelve selected disbursements.

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

Inspection of documentation in the minutes of board meetings reflect all disbursements are approved by the board prior to release of payment. Each of the selected disbursements was traced to the District's minute book where they were approved by the full board of commissioners.

Meetings

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

Washington Parish Communications District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building twenty-four hours prior to the meeting. The District placed the notice of each meeting in the local newspaper; however the agenda for each meeting was not posted on the door of the office. Agendas were prepared for each meeting and followed during the meeting.

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 of the District for the period under examination and noted no deposits which appear to be proceeds of bank loans, bonds, or like indebtedness. I also examined minutes of board meetings for any discussion about obligating the District for any debt, and none were noted

Advances and Bonuses

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

The District has two employees. A review of their pay records indicated no instances which would indicate payments constituting bonuses, advances, or gifts. I also reviewed the minutes of board meetings and there were no instances which indicated a change in pay during the year.

Prior Comments and Recommendations

12. Review any prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

The prior year report did not include any comments or unresolved matters. Management's corrective action plan addresses solutions to reported findings included in the prior year report.

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 the 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.



William R. Durden
Certified Public Accountant

February 6, 2003

MANAGEMENT'S CORRECTIVE ACTION PLAN
AND
SUMMARY OF PRIOR-YEAR FINDINGS

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

Summary Schedule of Prior Year Findings
 For The Year Ended December 31, 2002

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken Yes, No Partially	Planned Corrective Action/Partial Corrective Action Taken
Section I - Independent Accountant's Report on Applying Agreed-Upon Procedures				
2001-1	2001	A 1996 Buick Century was purchased in 2001 for \$9,000. There was no documentation that three price quotes were obtained as required by public bid law (R. S. 38: 2211-2251).	yes	The Public Bid Law was made a part of the District's Policy & Procedure Guide as policy 5.5-Purchasing Requirements. Compliance will be monitored by the Treasurer & Manager.
2001-2	2001	The test of disbursements revealed that a disbursement of \$427 for mileage was not properly documented. The documentation showed the travel destination and the number of miles, but it did not reflect the date or purpose of the trip.	yes	Expenses will be documented as per the District's Policy & Procedure Guide, Policy 2.5-Expense Reporting. The Guide was approved and implemented on January 8, 2002.

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

Summary Schedule of Prior Year Findings
 For The Year Ended December 31, 2002

Ref. No.	Initially Occurred	Description of Finding	Yes, No Partially	Action/Partial Corrective Action Taken
<u>Section I - Independent Accountant's Report on Applying Agreed-Upon Procedures</u>				
2001-3	2001	The District leased office space for a five year period beginning January 1, 2001 for \$235 per month. The lease was not approved by the State Bond Commission and did not include a non-appropriation provision.	yes	The laws concerning debt obligation was made a part of the District's Policy & Procedure Guide as policy 5.6-Lease/Purchase Agreements. The Guide was approved and implemented on January 8, 2002. Compliance will be monitored by the Treasurer and Manager. In addition a non-appropriation provision was made a part of the current office space lease agreement.

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

Corrective Action Plan for Current Year Findings
 For the Year Ended December 31, 2002

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken Yes, No Partially	Planned Corrective Action/Partial Corrective Action Taken
Section I - Independent Accountant's Report on Applying Agreed-Upon Procedures				
Meetings:				
2002-1	2002	Agenda of meetings not posted on door of building where meeting was to be held	yes	Manager did not realize that the agenda of each meeting was also to be posted for the public. Manager will post the notice of the meeting and the agenda for each meeting on the office door of the District at least 24 hours prior to the District's meeting.
Compliance:				
2002-2	2002	District had unsecured funds at Hibernia National Bank at December 31, 2002.	yes	Manager contacted Hibernia Bank and obtained a statement of collateral pledged to the District which covered the excess funds on deposit. The Treasurer and Manager will monitor the balances and the pledged collateral on a monthly basis.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

FROM: Washington Parish Communication District

TO: WILLIAM R. DURDEN, CPA LLC

In connection with your compilation of our financial statements as of December 31, 2002, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 31, 2002 (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>Cynthia G. August</u>	Secretary	<u>02/04/03</u>	Date
<u>Darryl L. Lehner</u>	Treasurer	<u>2-4-3</u>	Date
<u>James M. Calum</u>	President	<u>2-4-03</u>	Date