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***Financial Report***  
  
***Terrebonne Parish Communications District***  
  
***Houma, Louisiana***  
  
***December 31, 1999***

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

Release Date 080900

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December 31, 1999

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**FINANCIAL SECTION**



**Bourgeois Bennett**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors,  
Terrebonne Parish Communications District,  
Houma, Louisiana.

We have audited the accompanying general-purpose financial statements of the Terrebonne Parish Communications District (the District), a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Terrebonne Parish Communications District as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated April 27, 2000 on our consideration of Terrebonne Parish Communications District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
April 27, 2000.

**COMBINED BALANCE SHEET -  
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUPS**

**Terrebonne Parish Communications District**

December 31, 1999

	Governmental Fund Type General	Account Groups		Total (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
<b>ASSETS AND OTHER DEBITS</b>				
<b>Assets</b>				
Cash	\$ 628,446	\$ -	\$ -	\$ 628,446
Investments	100,000	-	-	100,000
Receivables	92,424	-	-	92,424
Prepaid expenditures	85	-	-	85
Fixed assets	-	910,753	-	910,753
<b>Other Debits</b>				
Amount to be provided for retirement of general long-term obligations	-	-	333,180	333,180
Total assets and other debits	<u>\$ 820,955</u>	<u>\$ 910,753</u>	<u>\$ 333,180</u>	<u>\$ 2,064,888</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenditures	\$ 22,156		\$ -	\$ 22,156
Due to Terrebonne Parish Consolidated Governmet	70,181		-	70,181
Certificates of Indebtedness payable	-		325,000	325,000
Other long-term obligations	-		8,180	8,180
Total liabilities	<u>92,337</u>		<u>333,180</u>	<u>425,517</u>
<b>Equity and Other Credits</b>				
Investment in general fixed assets	-	\$ 910,753		910,753
Fund balance - unreserved:				
Designated for subsequent years' expenditures	715,491	-		715,491
Undesignated	13,127	-		13,127
Total equity and other credits	<u>728,618</u>	<u>910,753</u>		<u>1,639,371</u>
Total liabilities, equity and other credits	<u>\$ 820,955</u>	<u>\$ 910,753</u>	<u>\$ 333,180</u>	<u>\$ 2,064,888</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL -**  
**GOVERNMENTAL FUND TYPE - GENERAL FUND**

**Terrebonne Parish Communications District**

For the year ended December 31, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges for services	\$ 682,809	\$ 725,986	\$ 43,177
Miscellaneous:			
Interest	12,000	10,392	(1,608)
Other	500	1,145	645
	695,309	737,523	42,214
<b>Expenditures</b>			
Current:			
Health and Welfare:			
Personal services	228,750	263,282	(34,532)
Supplies and materials	16,300	16,349	(49)
Other services and charges	238,553	233,846	4,707
Repairs and maintenance	10,400	11,253	(853)
Capital expenditures	376,000	372,360	3,640
	870,003	897,090	(27,087)
Total expenditures			
Deficiency of revenues over expenditures	(174,694)	(159,567)	15,127
<b>Other Financing Source</b>			
Certificates of Indebtedness proceeds	325,000	325,000	-
<b>Excess of Revenues and Other Financing Source Over Expenditures</b>	\$ 150,306	165,433	\$ 15,127
<b>Fund Balance</b>			
Beginning of year		563,185	
End of year		\$ 728,618	

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Terrebonne Parish Communications District**

December 31, 1999

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Terrebonne Parish Communications District (the District) conform to 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. The following is a summary of significant accounting policies:

**a) Nature of Activities**

The District assesses a fixed monthly service charge to customers of local telephone and wireless communication companies providing service in Terrebonne Parish. The companies collect the charge then remit those collections to the District. The District uses this service charge to run an emergency 911 system.

**b) Reporting Entity**

The District is a component unit of the Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 1999.

The District has reviewed all of its activities and determined that there are no potential component units which should be included in the financial statements.

**c) Fund Accounting**

The District uses funds and account groups to report on its financial position and the results of its 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.



**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Fund Accounting (Continued)**

**Governmental Funds**

Governmental Funds are those through which the governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the District:

**General Fund** - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

**Account Groups**

Account groups are used to establish accounting control and accountability. The District's Account Groups are as follows:

**General Fixed Assets Account Group** - This account group is used to account for fixed assets not accounted for in proprietary or trust funds.

**General Long-Term Obligations Account Group** - This account group is used to account for general long-term obligations and certain other liabilities that are not specific liabilities of proprietary or trust funds.

**d) Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Basis of Accounting (Continued)**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: 1) the accumulated unpaid vacation, sick pay and other employee amounts which are recognized when the obligations are expected to be liquidated with expendable available financial resources; and 2) principal and interest on general long-term debt which is recognized when due.

**e) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**f) Operating Budgetary Data**

As required by Louisiana Revised Statute 39:1303, the Board of Directors (the Board) adopted a budget for the District's General Fund. The public hearings and advertisements, which are required by state law, were conducted. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The budget was amended several times during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on a basis materially consistent with generally accepted accounting principles.

**g) Accounts Receivable**

The financial statements of the District contain no allowance for uncollectible accounts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the General Fund.

**h) Investments**

Investments consist of certificates of deposit which are stated at cost and approximate market value.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Fixed Assets**

Fixed assets used in governmental fund type operations (fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

It is not involved with the measurement of results of operations. Public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized along with other fixed assets. No depreciation has been provided on fixed assets.

All fixed assets are valued at historical cost.

**j) Long-Term Obligations**

The accounting and reporting treatment applied to the long-term obligations associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, not in the governmental funds.

The General Long-Term Obligations Account Group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) Accumulated Vacation and Sick Leave**

Accumulated vacation and sick leave are recorded as an expenditure of the period in which paid in all governmental funds.

Employees of the District can earn 96 or 136 hours per year of vacation leave, depending on their length of employment.

All employees are required to take vacation within one year of being earned, with no carryforward provisions. If an employee fails to take vacation leave, the employee forfeits this time for this particular year. In the event the employee is terminated or resigns, all vacation leave not lost through forfeiture will be paid to them. Hours forfeited are transferred to retirement for participants of the Parochial Employees Retirement System.

Employees of the District earn 56 hours of sick leave per year and are permitted to accumulate a maximum of 480 hours. Upon retirement, sick leave is paid up to one half of their accumulated sick leave to a maximum of 240 hours. The hours greater than 240 hours are used in the computation of monthly retirement benefits.

**l) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the District.

**m) Fund Equity**

Designated fund balance represents tentative plans to use \$715,491 of financial resources for building, equipment and software improvements.

**n) Memorandum Only - Total Column**

The total column on the general-purpose financial statement is captioned "Memorandum Only" because it does not represent consolidated financial information and is presented only to facilitate financial analysis. The column does not present information that reflects financial position or results of operations in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

**Note 2 - DEPOSITS**

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

State law requires that deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the District or its agent in the District's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the District's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agents but not in the District's name.

The year end bank balances of deposits and the carrying amount as shown on the combined balance sheet are as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Cash	\$100,000	\$ -	\$522,446	\$628,446
Investments:				
Certificates of deposit	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Totals	<u>\$200,000</u>	<u>\$ -</u>	<u>\$522,446</u>	<u>\$728,446</u>

**Note 2 - DEPOSITS (Continued)**

At December 31, 1999, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the District. The Government Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, 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 depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Note 3 - CHANGES IN FIXED ASSETS**

A summary of changes in fixed assets follows:

	<u>Balance January 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 1999</u>
Building	\$ -	\$226,837	\$ -	\$226,837
Equipment	<u>558,473</u>	<u>145,523</u>	<u>20,080</u>	<u>683,916</u>
Totals	<u>\$558,473</u>	<u>\$372,360</u>	<u>\$20,080</u>	<u>\$910,753</u>

**Note 4 - LONG-TERM OBLIGATIONS**

At December 31, 1999, the District had outstanding certificates of indebtedness totaling \$325,000. The certificates bear interest at 5.23% and are payable through November 1, 2009. The certificates are secured by a pledge and dedication of the excess of annual revenues above statutory, necessary and usual charges in each of the fiscal years during which the certificates are outstanding.

The District's commitment to fund accumulated unpaid vacation and sick leave from future operations has been recorded in the General Long-Term Obligations Account Group at December 31, 1999.

**Note 4 - LONG-TERM OBLIGATIONS (Continued)**

The following is a summary of changes in the long-term obligations of the District for the year ended December 31, 1999:

	<u>Payable January 1, 1999</u>	<u>Net Increase</u>	<u>Payable December 31, 1999</u>
Certificates of Indebtedness	\$ -	\$325,000	\$325,000
Accumulated vacation	2,982	2,354	5,336
Accumulated sick leave	<u>1,548</u>	<u>1,296</u>	<u>2,844</u>
Totals	<u>\$4,530</u>	<u>\$328,650</u>	<u>\$333,180</u>

The requirements to amortize certificates of indebtedness outstanding at December 31, 1999 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$ 25,000	\$15,534	\$ 40,534
2001	25,000	15,690	40,690
2002	30,000	14,383	44,383
2003	30,000	12,813	42,813
2004	30,000	11,244	41,244
2005 – 2009	<u>185,000</u>	<u>29,811</u>	<u>214,811</u>
Totals	<u>\$325,000</u>	<u>\$99,475</u>	<u>\$424,475</u>

**Note 5 - LEASES**

The District entered into a 36 month operating lease dated July 22, 1996 for a vehicle with monthly payments of \$287. The rental expense for 1999 is \$1,722. The lease expired in June 1999.

**Note 6 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the District carries commercial insurance and also participates in the Parish's risk management program for general liability, workers' compensation, property, auto liability and group insurance. No settlements were made during the year that exceeded the District's insurance coverage. The District's premiums

**Note 6 - RISK MANAGEMENT (Continued)**

for general liability are based on various factors such as its operations and maintenance budget, exposure and claims experience. The premiums for workers' compensation are based on a fixed percentage of payroll. The premiums for property are based on the District's percentage of property value to the total of all the Parish's property value covered. The premiums for auto liability are based on claims experience, vehicle type and mileage. The premiums for group insurance are based on a fixed rate per employee.

The Parish handles all claims filed against the District. The District's exposure for claims in excess of the Parish's insurance contracts as described below:

<u>Policy</u>	<u>Coverage Limits</u>
General Liability	\$6,500,000
Workers' Compensation	Statutory
Property	100,000,000
Auto Liability	\$6,250,000
Group Insurance	\$1,125,000

Coverage for claims in excess of the above stated limits are to be funded first by assets of the Parish's risk management internal service funds, \$122,294 for general liability, workers' compensation, property and auto liability and \$3,069,030 for group insurance at December 31, 1998, then secondly by the District. At December 31, 1999, the District had no claims in excess of the above coverage limits.

**Note 7 - COMMITMENT**

The Federal Communications Commission (FCC) and the Louisiana State Legislature has issued rulings and statues requiring wireless telecommunications provide the number and location of the caller to the communications district when a caller accesses 911. The FCC will allow providers of wireless service and communications districts to recover all costs associated with providing the enhanced service from consumers. Proceeds of a consumer service charge shall be used for the payment of service provider and district costs associated with the implementation. System enhancements are to be completed within one year of establishing the service charge. However, the district shall not make payments to service provider unless there is a cooperative endeavor agreement between the district and the provider delimiting the cost of implementation. The District is in the process of negotiating agreements with providers of wireless service and has estimated service provider costs to be approximately \$160,000. This amount is included in the designated funds described in Note 1m.



**Note 7 - COMMITMENT (Continued)**

The District implemented the rulings and have begun collecting an 85 cent service charge from consumers effective January 1, 2000. Prior to implementing the rulings, the District collected a 62 cent consumer service charge authorized by Resolution #020598-C adopted by the District's Board of Commissioners in February 1998. Management estimates the 85 cent service charge will raise approximately \$255,000 in revenue, an increase of approximately \$69,000 over the 62 cent consumer service charge.

**Note 8 - DEFINED BENEFIT PENSION PLAN**

**Plan Description** - The District contributes to Plan B of the Parochial Employees' Retirement System of Louisiana (the System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS), which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 205 of the 1952 Louisiana Legislative Session established the plan. The System is governed by Louisiana Revised Statutes 11:1901 through 11:2015, specifically, and other general laws of the State of Louisiana. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898.

**Funding Policy** - Plan members are required to contribute 2% of their annual covered salary less \$100 per month and the District is required to contribute at an actuarially determined rate. The current rate is 2.5% of annual payroll. The contribution requirements of plan members and the District are established and may be amended by state statute. The District's contributions to the System for the years ending December 31, 1999, 1998 and 1997 were \$4,639, \$3,290 and \$2,314, respectively, equal to the required contributions for each year.

**Note 9 - COMPENSATION OF BOARD MEMBERS**

No compensation was paid to Board Members for the year ended December 31, 1999.

## **SUPPLEMENTARY INFORMATION SECTION**



**Bourgeois Bennett**

**INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION**

To the Board of Directors,  
Terrebonne Parish Communications District,  
Houma, Louisiana.

Our report on our audit of the general-purpose financial statements of Terrebonne Parish Communications District (the District) for the year ended December 31, 1999, appears on page 1. That audit was conducted for the purpose of forming an opinion on such financial statements taken as a whole. The information contained in the schedule of revenues and expenditures and graphs of revenues and expenditures for the year ended December 31, 1999 is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general-purpose financial statements for the year ended December 31, 1999, taken as a whole.

We also have previously audited, in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the balance sheets of Terrebonne Parish Communications District as of December 31, 1998 and 1997, and the related statements of revenues, expenditures and changes in fund balance for each of the two years in the period ended December 31, 1998 (none of which is presented herein), and we expressed unqualified opinions on those financial statements. In our opinion, the information presented in the schedule of revenues and expenditures and graphs of revenues and expenditures for the years ended December 31, 1998 and 1997 is fairly stated in all material respects in relation to the general-purpose financial statements from which it has been derived.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
April 27, 2000.

**SCHEDULE OF REVENUES AND EXPENDITURES****Terrebonne Parish Communications District**

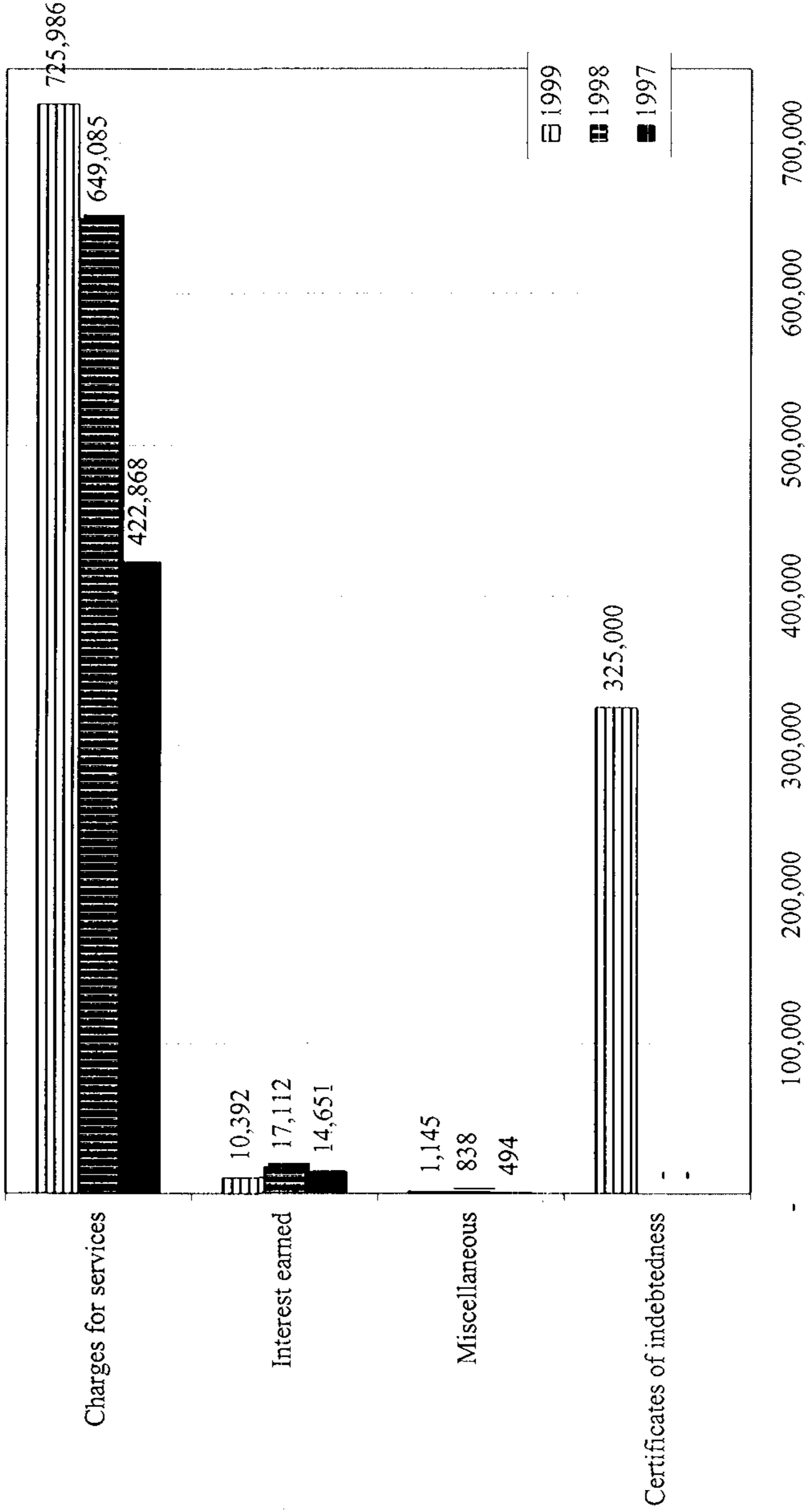
For the years ended December 31, 1999, 1998 and 1997

	<u>1999</u>	<u>1998</u>	<u>1997</u>
<b>Revenues</b>			
Charges for services	\$ 725,986	\$ 649,085	\$ 422,868
Interest earned	10,392	17,112	14,651
Miscellaneous	1,145	838	494
Certificates of indebtedness	325,000	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total revenues	<u>\$ 1,062,523</u>	<u>\$ 667,035</u>	<u>\$ 438,013</u>
<b>Expenditures</b>			
Personal services	263,282	182,677	131,817
Supplies and materials	16,349	15,518	19,987
Other services and charges	233,846	279,672	258,856
Repairs and maintenance	11,253	3,553	1,222
Capital expenditures	372,360	6,823	53,522
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total expenditures	<u>\$ 897,090</u>	<u>\$ 488,243</u>	<u>\$ 465,404</u>

**REVENUES**

**Terrebonne Parish Communications District**

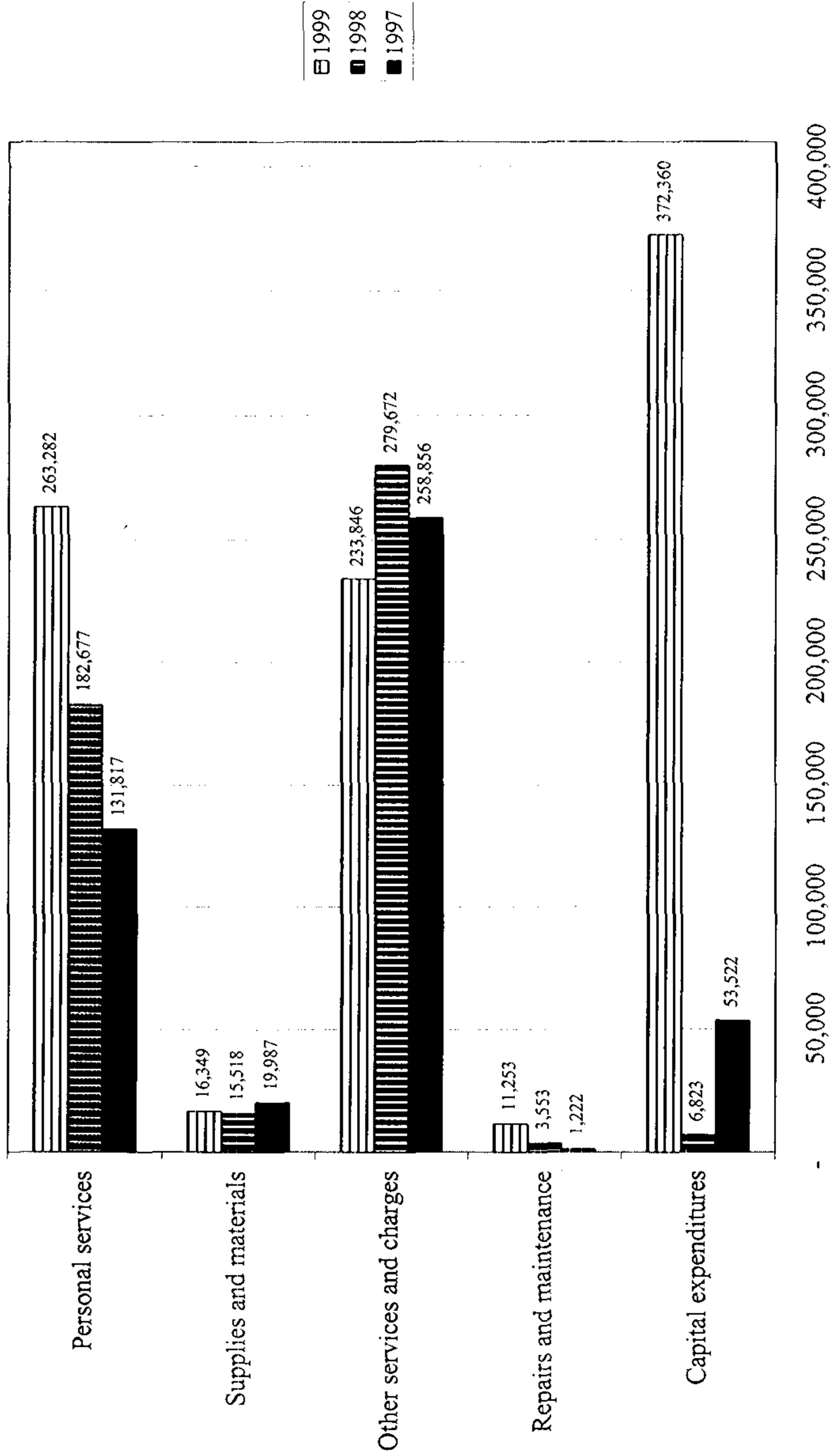
For the years ended December 31, 1999, 1998 and 1997



EXPENDITURES

Terrebonne Parish Communications District

For the years ended December 31, 1999, 1998 and 1997



**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



**Bourgeois Bennett**

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL-  
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors,  
Terrebonne Parish Communications District,  
Houma, Louisiana.

We have audited the general-purpose financial statements of the Terrebonne Parish Communications District (the District), a component unit of the Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 1999 and have issued our report thereon dated April 27, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might



be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Houma, La.,  
April 27, 2000.

## SCHEDULE OF FINDINGS

### **Terrebonne Parish Communications District**

For the year ended December 31, 1999

#### **Section I Summary of Auditor's Results**

##### a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?                     \_\_\_\_\_ yes      X   no
- Reportable condition(s) identified that are not  
  considered to be material weaknesses?                     \_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted?             \_\_\_\_\_ yes      X   no

##### b) Federal Awards

Terrebonne Parish Communications District did not receive federal awards during the year ended December 31, 1999.

#### **Section II Financial Statement Findings**

No financial statement findings were noted during the audit for the year ended December 31, 1999.

#### **Section III Federal Award Findings and Questioned Costs**

Not applicable.

**REPORTS BY MANAGEMENT**

## **SCHEDULE OF PRIOR YEAR FINDINGS**

### **Terrebonne Parish Communications District**

For the year ended December 31, 1999

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control**

No material weaknesses were reported during the audit for the year ended December 31, 1998.  
No reportable conditions were reported during the audit for the year ended December 31, 1998.

##### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended December 31, 1998.

#### **Section II Internal Control and Compliance Material to Federal Awards**

Terrebonne Parish Communications District did not receive federal awards during the year ended December 31, 1998.

#### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended December 31, 1998.

# **MANAGEMENT'S CORRECTIVE ACTION PLAN**

## **Terrebonne Parish Communications District**

For the year ended December 31, 1999

### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

#### **Internal Control**

No material weaknesses were reported during the audit for the year ended December 31, 1999.  
No reportable conditions were reported during the audit for the year ended December 31, 1999.

#### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended December 31, 1999.

### **Section II Internal Control and Compliance Material to Federal Awards**

Terrebonne Parish Communications District did not receive federal awards during the year ended December 31, 1999.

### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended December 31, 1999.