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JACKSON PARISH COMMUNICATION DISTRICT

JACKSON PARISH, LOUISIANA

**GENERAL PURPOSE FINANCIAL STATEMENTS
AND ACCOUNTANTS' COMPILATION REPORT
AS OF AND FOR THE YEAR ENDED 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 _____

MAY 24 2000

KENNETH D. FOLDEN & CO.
CERTIFIED PUBLIC ACCOUNTANTS

302 EIGHTH STREET, JONESBORO, LA 71251
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JACKSON PARISH COMMUNICATION DISTRICT
Jackson Parish, Louisiana

General Purpose Financial Statements
As of and for the Year Ended December 31, 1999

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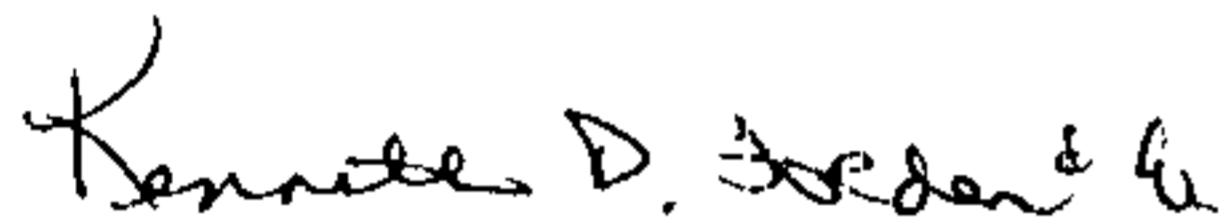
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ACCOUNTANTS' COMPILATION REPORT

Chris Young, Chairman
and Members of the Board of Commissioners
Jackson Parish Communication District
P. O. Box 610
Jonesboro, LA 71251

We have compiled the accompanying general purpose financial statements of the Jackson Parish Communication District 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 general purpose financial statements information that is the representation of management. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurances on them.



KENNETH D. FOLDEN & CO.
Certified Public Accountants

Jonesboro, Louisiana
March 1, 2000

JACKSON PARISH COMMUNICATION DISTRICT
Jackson Parish, Louisiana

ALL FUND TYPES AND ACCOUNT GROUP
COMBINED BALANCE SHEET, DECEMBER 31, 1999

	GOVERNMENTAL FUND TYPE- GENERAL FUND	GENERAL FIXED ASSETS ACCOUNT GROUP	TOTAL (MEMORANDUM ONLY)
ASSETS AND OTHER DEBITS			
Assets:			
Cash and cash equivalents	\$ 101,305	\$	\$ 101,305
Accounts receivable	7,510		7,510
Land, buildings and equipment		12,993	12,993
TOTAL ASSETS AND OTHER DEBITS	\$ 108,815	\$ 12,993	\$ 121,808
LIABILITIES, EQUITY, AND OTHER CREDITS			
Liabilities			
Payroll taxes and withholdings payable	\$ 686	\$	\$ 686
Accounts payable	265		265
Total Liabilities	951	NONE	951
Equity:			
Investments in general fixed assets		12,993	12,993
Fund balance - Unreserved - undesignated	107,864		107,864
Total Equity	107,864	12,993	120,857
TOTAL LIABILITIES AND FUND EQUITY	\$ 108,815	\$ 12,993	\$ 121,808

See Accountants' Compilation Report

JACKSON PARISH COMMUNICATION DISTRICT
Jackson Parish, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 1999

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:			
Telephone surcharges	\$ 72,000	\$ 72,764	\$ 764
Interest	2,000	2,230	230
Miscellaneous	1,000	760	(240)
Total revenues	75,000	75,754	754
Expenditures:			
Legal and accounting		1,200	(1,200)
Advertising	250	235	15
Travel	4,800	4,800	
Salaries	6,000	6,000	
Payroll taxes	459	460	(1)
Office supplies	500	2,255	(1,755)
Telephone	3,600	3,730	(130)
Equipment rental	29,580	30,068	(488)
Repairs and maintenance	500		500
Road signs	1,000	120	880
Miscellaneous	3,000		3,000
Capital outlay		645	(645)
Mapping	1,000	120	880
Total expenditures	50,689	49,633	1,056
EXCESS OF REVENUES OVER EXPENDITURES	24,311	26,121	1,810
FUND BALANCE AT BEGINNING OF YEAR	72,000	81,743	9,743
FUND BALANCE AT END OF YEAR	\$ 96,311	\$ 107,864	\$ 11,553

See Accountants' Compilation Report

JACKSON PARISH COMMUNICATION DISTRICT
Jackson Parish, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 1999

INTRODUCTION

The Jackson Parish Communication District (District) was established in April 1990 by the Jackson Parish Police Jury, as provided by Louisiana Revised Statutes 33:9101 to 33:9106. The District was created for the establishment and operation of a parishwide enhanced Emergency 911 System. The District is governed by a Board of Commissioners, which has seven appointed members. Commissioners are residents of the District and consist of the Jackson Parish Sheriff, Jackson Parish Hospital Administrator, Jonesboro Police Chief, Jonesboro Fire Chief, and three at-large appointments. All appointments serve terms of four years. The members of the Board of Commissioners do not receive compensation.

On October 6, 1990, the voters of Jackson Parish passed a proposition for the collection of a telephone surcharge to provide funding for the operation of the District.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

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

B. REPORTING ENTITY

Governmental Accounting Standards Board Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. 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.

Based on above, the Jackson Parish Communication District is deemed to be a separate governmental reporting entity. The Jackson Parish Communication District has no component units.

JACKSON PARISH COMMUNICATION DISTRICT

Jackson Parish, Louisiana

Notes to the Financial Statements (Continued)

B. REPORTING ENTITY (Continued)

Considered in the determination of component units of the reporting entity were the Jackson Parish Police Jury, Sheriff, Clerk of Court, Assessor, and School Board and the District Attorney and Judges for the Second Judicial District. It was determined that these governmental entities are not component units of the Jackson Parish Communication District reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Jackson Parish Communication District.

C. FUND ACCOUNTING

The District uses a fund 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 relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group 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 financial resources.

Funds of the District are classified as one category: governmental. This category is divided into one fund type. A description of this fund classification and the fund type follows:

Governmental Funds

Governmental funds account for all of the District's general activities, including the collection and disbursement of specific or legally restricted monies, and acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

General Fund--the general operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Monthly telephone surcharges are collected by the various telephone companies operating within the parish. These companies then remit the surcharges less a one-percent administrative fee to the District the following month. Amounts collected by the telephone companies for December and remitted in January are recognized as receivable.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The encumbrance method of accounting and reporting is not utilized.

JACKSON PARISH COMMUNICATION DISTRICT

Jackson Parish, Louisiana

Notes to the Financial Statements (Continued)

E. BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets are adopted and are made available for public inspection. The Board of Commissioners must meet and approve all budget changes or amendments. At year end, all appropriations lapse. Budget amounts are as amended.

F. ENCUMBRANCES

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District.

G. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash and cash equivalents of the District include an interest-bearing demand deposit account. 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.

H. FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

I. COMPENSATED ABSENCES

There are no accumulated and vested benefits relating to vacation and sick leave as the District has no full-time employees.

J. TOTAL COLUMNS OF COMBINED STATEMENTS

Total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CASH AND CASH EQUIVALENTS

At December 31, 1999, the District has cash and cash equivalents (book balances) totaling \$101,305, as follows:

Interest-bearing demand deposits	<u>\$ 101,305</u>
----------------------------------	-------------------

JACKSON PARISH COMMUNICATION DISTRICT
Jackson Parish, Louisiana
Notes to the Financial Statements (Continued)

2. CASH AND CASH EQUIVALENTS

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, 1999, the District has \$101,380 in deposits (collected bank balances) in two banks. These deposits are secured from risk by \$101,090 of federal deposit insurance which results in \$290 being unsecured.

3. FIXED ASSETS

The changes in general fixed assets follow:

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
Furniture and equipment	\$ 12,348	\$ 645		\$ 12,993
Total	\$ 12,348	\$ 645	NONE	\$ 12,993

4. PENSION PLANS

The District contributes to the Social Security System for its part-time employee. The District does not participate in any other pension or retirement plans.

5. WIRELESS SURCHARGES

Act 1029 of 1999 authorizes the governing authority of a communication district to levy an emergency telephone surcharge on certain wireless communication systems to pay the costs of implementing FCC ordered enhancements to E911 systems. On July 26, 1999, the Jackson Parish Communication District adopted a resolution requiring each wireless telephone company in Jackson Parish to begin collecting a surcharge on each wireless telephone in Jackson Parish. Of the five (5) known telephone providers that were notified, only three (3) have responded. Currently, the Jackson Parish Communication District is attempting to establish correspondence with the other two companies.

For the year ended December 31, 1999, the Jackson Parish Communication District received \$422 of revenues derived from the wireless service charge. These monies will be used in the implementation of wireless E911 service. As of December 31, 1999, the implementation of the service is in the planning phase.

6. LITIGATION AND CLAIMS

The District is not involved in any litigation at December 31, 1999.

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Chris Young, Chairman
and Members of the Board of Commissioners
Jackson Parish Communication District
P. O. Box 610
Jonesboro, LA 71251

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Jackson Parish Communication District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Jackson Parish Communication District's compliance with certain laws and regulations during the year ended December 31, 1999 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, we 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 \$7,500, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditure was made during the year for materials and supplies exceeding \$7,500 nor any expenditure was made 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 42:1101-1124 (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 us 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 us with the required name of their sole employee.

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.

The name of the sole employee (Director) provided by management in procedure (3) did not appear on the listing provided by management in procedure (2).

Budgeting

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

Management provided us with a copy of the original budget for the year ended December 31, 1999. The budget was amended once during the year.

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

We traced the adoption of the original budget, for the year ended December 31, 1999, to the minutes of a meeting held on November 23, 1998, which indicated that the budget had been approved by all of the commissioners. We traced the amendments to the minutes of a meeting held on November 26, 1999, which indicated that the amended budget had been approved by all of the commissioners.

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 5%.

We compared the revenues and expenditures of the final budgets to actual revenues and expenditures. Actual revenues for the year did exceed budgeted amounts by more than 5%. Actual expenditures did not exceed budgeted expenditures.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination for the year and:
(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements 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

The six selected disbursements were properly coded to the correct fund. Five of the payments were properly coded to their general ledger accounts. One payment (check no. 1523), which should have been coded to mapping (account no. 5040) was improperly coded to office supplies (account no 5050).

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

The six selected disbursements were traced to the district's minute book where they were approved by the 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 meetings law).

The Jackson Parish Communication District is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. Management has informed us that these documents were properly posted.

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.

We 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.

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 the district for the year indicated no approval for the payments noted. We also inspected payroll records and noted no instances which would indicate payments to the employee which would constitute bonuses, advances, or gifts.

We were 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, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Jackson Parish Communication 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.



KENNETH D. FOLDEN & CO.

Certified Public Accountants

Jonesboro, Louisiana

March 1, 2000

LOUISIANA ATTESTATION QUESTIONNAIRE

JANUARY 24, 2000 Date

KENNETH D. FOLDEN & Co., CPAs
302 Eight Street
Jonesboro, LA 71251
(Auditors)

In connection with your compilation of our financial statements as of DECEMBER 31, 1999 and for the period 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 JANUARY 24, 2000 (date).

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 [x] 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 [x] 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 [x] 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 39:43. Yes [x] 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 [x] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable. Yes [x] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes [X] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.
Yes [X] 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 47:1410.60.
Yes [X] 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 [X] 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.

Steve Waldman Jr. Secretary JANUARY 24, 2000 Date
Darrell Paul Treasurer JANUARY 24, 2000 Date
Chris [Signature] President JANUARY 24, 2000 Date

Note-Quasi-public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.

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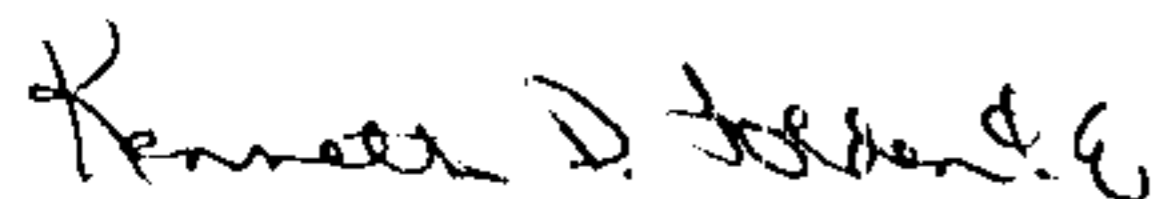
Chris Young, Chairman
and Members of the Board of Commissioners
Jackson Parish Communication District
P. O. Box 610
Jonesboro, LA 71251

In performing our compilation with attestation engagement of the financial statements of the Jackson Parish Communications District, as of and for the year ended December 31, 1999, part of the agreed-upon procedures included a review of the prior year suggestions, recommendations, and/or comments and the extent to which such matters have been resolved.

During our compilation with attestation engagement, as of and for the year ended December 31, 1999, we became aware of certain matters involving the internal control structure and noncompliance with laws that were opportunities for strengthening internal controls and compliance requirements. The memorandum that accompanies this letter summarizes our comments regarding these matters.

We will be pleased to discuss them in further detail at your convience or to assist you in implementing the recommendations.

Sincerely,



Kenneth D. Folden & Co., CPAs
March 1, 2000

Security for deposits - The District failed to have its bank balance fully secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank at December 31, 1999. Louisiana Revised Statute 39:1225 requires that the amount of security shall at all times be equal to one hundred percent of the amount on deposit except that insured by federal deposit insurance. At December 31, 1999, the District had \$100,290 on deposit in its fiscal agent bank. These deposits are secured from risk by 100,000 of federal deposit insurance, which results in \$290 being unsecured.

We recommend that the District comply with Louisiana Revised Statute 39:1225.

In a letter dated March 1, 2000, the management of the District agreed with the finding. Management stated that this an oversight and that corrective action has already been taken.

Prior Year's Findings:

None.