

**OSWALT & ZARRO**  
*A Corporation of Certified Public Accountants*

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Tom J. Oswalt  
Joseph J. Zarro

809 Julia Street  
Suite A  
Rayville, Louisiana 71269

(318)728-6413  
(318)728-6415  
FAX(318)728-4008

Accountant's Report

BOARD OF COMMISSIONERS  
RICHLAND PARISH COMMUNICATION DISTRICT  
RICHLAND PARISH POLICE JURY  
Rayville, Louisiana

I have compiled the accompanying combined financial statements of Richland Parish Communication District, a component unit of Richland Parish Police Jury, as of and for the two years ended December 31, 1995, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Oswalt & Zarro



Rayville, Louisiana  
June 28, 1996

RICHLAND PARISH COMMUNICATION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana

SPECIAL REVENUE FUND  
 BALANCE SHEET  
 December 31, 1995

ASSETS

Cash	69,549.
Office Improvements	7,591.
Furniture, Fixtures and Equipment	106,846.
Accumulated Depreciation	<u>(26,270.)</u>
 Total Assets	 <u>157,716.</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts Payable	486.
Accrued Payroll Taxes	194.
Notes Payable - Motorola	<u>45,776.</u>
 Total Liabilities	 <u>46,456.</u>
Fund Balance:	
Unreserved - Undesignated	<u>111,260.</u>
 Total Liabilities and Fund Balance	 <u>157,716.</u>

See the accountant's report and the accompanying notes.

RICHLAND PARISH COMMUNICATION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana

SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE

For the Two Years Ended December 31, 1995

	December 31	
	<u>1995</u>	<u>1994</u>
<u>REVENUES</u>		
911 Fees	94,363.	92,936.
Maps and Signs	3,129.	61,421.
Interest	<u>3,398.</u>	<u>4,174.</u>
Total Revenues	100,890.	158,531.
 <u>EXPENDITURES</u>		
Depreciation	20,795.	2,023.
Dues & Subscriptions	185.	-
Installation and Line Fees	39,618.	-
Insurance	1,342.	1,987.
Interest	3,618.	-
Office Supplies	4,086.	4,715.
Payroll Taxes	3,858.	5,816.
Parish Road Signs and Posts	6,434.	73,516.
Repairs and Maintenance	2,464.	9,670.
Salary	44,124.	63,988.
Training	7,000.	-
Travel	4,429.	3,992.
Telephone	<u>3,919.</u>	<u>1,046.</u>
Total Expenditures	<u>141,872.</u>	<u>166,753.</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(40,982.)	(8,222.)
 FUND BALANCE - BEGINNING	<u>152,242.</u>	<u>160,464.</u>
 FUND BALANCE - ENDING	<u>111,260.</u>	<u>152,242.</u>

See the accountant's report and the accompanying notes.

RICHLAND PARISH COMMUNICATION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana

SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (CASH BASIS) AND ACTUAL  
 For the Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>REVENUES</u>			
911 Fees	94,080.	94,363.	283.
Maps and Signs	3,200.	3,129.	(71.)
Interest	<u>3,330.</u>	<u>3,398.</u>	<u>68.</u>
Total Revenues	100,610.	100,890.	<u>280.</u>
<u>EXPENDITURES</u>			
Depreciation	21,000.	20,795.	205.
Dues and Subscriptions	185.	185.	-
Installation and Line Fees	41,383.	39,618.	1,765.
Insurance	1,300.	1,115.	185.
Interest	3,618.	3,617.	1.
Office Supplies	9,850.	3,887.	5,963.
Payroll Taxes	4,000.	3,849.	151.
Parish Road Signs and Posts	9,500.	6,433.	3,067.
Repairs and Maintenance	3,100.	2,464.	636.
Salary	43,000.	44,124.	(1,124.)
Software	2,000.	-	2,000.
Training	7,000.	7,000.	-
Travel	4,500.	4,429.	71.
Telephone	<u>4,000.</u>	<u>3,703.</u>	<u>297.</u>
Total Expenditures	<u>154,436.</u>	<u>141,219.</u>	<u>13,217.</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(53,826.)	(40,329.)	13,497.
FUND BALANCE - BEGINNING	<u>149,207.</u>	<u>149,207.</u>	<u>-</u>
FUND BALANCE - ENDING	<u>95,381.</u>	<u>108,878.</u>	<u>13,497.</u>

See the accountant's report and the accompanying notes.

RICHLAND PARISH COMMUNICATION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana

SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (CASH BASIS ) AND ACTUAL  
 For the Year Ended December 31, 1994

<u>REVENUES</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
911 Fees	92,462.	92,936.	474.
Maps and Signs	50,296.	61,421.	11,125.
Interest	<u>1,800.</u>	<u>4,174.</u>	<u>2,374.</u>
Total Revenues	144,558.	158,531.	13,973.
 <u>EXPENDITURES</u>			
Capital Expenditures	38,030.	-	38,030.
Depreciation	3,156.	2,023.	1,133.
Installation & Line Fees	69,076.	-	69,076.
Insurance	3,000.	1,987.	1,013.
Lease Purchase	6,900.	-	6,900.
Legal	1,000.	-	1,000.
Office Supplies	6,200.	4,715.	1,485.
Payroll Taxes	6,600.	5,816.	784.
Repairs and Maintenance	9,500.	9,670.	(170.)
Repayment of Bond	2,990.	-	2,990.
Salary	61,000.	63,988.	(2,988.)
Signs & Posts Materials	69,778.	73,516.	(3,738.)
Software Interface	10,000.	-	10,000.
Training	6,000.	-	6,000.
Travel	3,500.	3,992.	(492.)
Telephone	<u>1,400.</u>	<u>1,046.</u>	<u>354.</u>
Total Expenditures	<u>298,130.</u>	<u>166,753.</u>	<u>131,377.</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			
	(153,572.)	(8,222.)	145,350.
 FUND BALANCE - BEGINNING			
	<u>158,396.</u>	<u>158,396.</u>	<u>-</u>
 FUND BALANCE - ENDING			
	<u>4,824.</u>	<u>150,174.</u>	<u>145,350.</u>

See the accountant's report and the accompanying notes.

RICHLAND PARISH COMMUNICATION DISTRICT  
RICHLAND PARISH POLICE JURY  
Rayville, Louisiana  
Notes to the Financial Statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints all members of the board and may impose its will on the district, the district was determined to be a component unit of the Richland Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

#### C. FUND ACCOUNTING

The district uses a special revenue fund 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 special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

#### D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The 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 the special revenue funds. The special revenue funds use the following practices in recording revenues and expenditures:

##### Revenues

Revenues are recognized when they become measurable and available as net current assets.

RICHLAND PARISH COMMUNICATION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana  
 Notes to the Financial Statements (Continued)

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. BUDGETS

Preliminary budget for the ensuing year is prepared by the secretary-treasurer during November of each year. At the December meeting the budget is available for public inspection and is approved prior to the end of the meeting. All annual appropriations lapse at year end.

The budget comparison statements included in the accompanying financial statements reflect the original adopted budget including all amendments made during the year. The following reconciles the excess (deficiencies) of revenues over expenditures for the Special Revenue Fund as shown on Statement C and D (cash basis) with amounts shown on Statement B (GAAP basis):

	December 31	
	<u>1995</u>	<u>1994</u>
Excess of expenditures over revenues (cash basis)	(40,329.)	(8,222.)
(Increase) Decrease in Payables	<u>(653.)</u>	<u>-</u>
Excess of expenditures over revenues (GAAP basis)	<u>(40,982.)</u>	<u>(8,222.)</u>

F. ENCUMBRANCES

The district does not use encumbrance accounting.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. 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; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

RICHLAND PARISH COMMUNICATION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana  
 Notes to the Financial Statements (Continued)

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the special revenue fund. Interest costs incurred during construction are capitalized. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Depreciation is provided over the estimated useful lives of the assets using the straight line method.

I. COMPENSATED ABSENCES

The district has no formal leave policy at this time. The board is in the process of writing a policy for absences and holidays. Therefore no provision has been made for compensated absences.

J. LONG-TERM OBLIGATIONS

The district has a three year lease purchase agreement with Motorola for the PSAP system in the amount of \$70,894.95 at an interest rate of 6.75%, payable in monthly installments of \$1,967.92. The payments and the obligation is accounted for in the special revenue fund.

2. FUND DEFICITS

The district's special revenue fund's deficits are due to the cost of installation of the phone lines required for the 911 system and the initial cost of the parish road signs along with the costs of each house sign and numbers, for the signs. These costs should be lower in the ensuing years.

3. CASH AND CASH EQUIVALENTS

At December 31, 1995 and 1994, the district has cash and cash equivalents (book balances) totaling \$69,549. and \$149,207. as follows:

	<u>1995</u>	<u>1994</u>
Petty Cash	\$ 100.	\$ 100.
Demand Deposits	38,705.	70,168.
Time Deposits	<u>30,744.</u>	<u>78,939.</u>
Total	<u>\$69,549.</u>	<u>149,207.</u>

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



RICHLAND PARISH COMMUNICATION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana  
 Notes to the Financial Statements (Continued)

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, 1995 and 1994 the district has \$72,041 and \$152,783. in deposits (collected bank balances). These deposits are secured from risk by \$100,000. of federal deposit insurance.

4. CHANGES IN FIXED ASSETS

A summary of changes in fixed assets follows:

	BALANCE <u>1-1-94</u>	ADDITIONS	RETIREMENTS	BALANCE <u>12-31-94</u>
Equipment,				
Furniture and Fixtures	8,510.	-	-	8,510.
Totals	<u>8,510.</u>	-	-	<u>8,510.</u>

	BALANCE <u>1-1-95</u>	ADDITIONS	RETIREMENTS	BALANCE <u>12-31-95</u>
Building Improvements	-	7,591.	-	7,591.
Equipment,				
Furniture and Fixtures	8,510.	98,336.	-	106,846.
Totals	<u>8,510.</u>	<u>105,927.</u>	-	<u>114,437.</u>

5. PENSION PLAN

The district is not in a pension plan as of December 31, 1995. The board is in the process of gathering information to join the Parochial Employees Retirement System in 1996.

6. LITIGATION AND CLAIMS

At December 31, 1995 the district is not involved or aware of any possible litigation.

RICHLAND PARISH COMMUNICATION DISTRICT  
RICHLAND PARISH POLICE JURY  
Rayville, Louisiana  
Schedule of Compensation Paid Board Members  
For the Two Years Ended December 31, 1995

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The board receives no compensation for their services.

1994

Jimmy Morris, Chairman  
David Knight, Treasurer  
Mary Forehand, Secretary  
Claude Minor  
Dwight Clarke  
Rev. Robert Stroud  
Larry Branch

1995

Jimmy Morris, Chairman  
David Knight, Treasurer  
Mary Forehand, Secretary  
Claude Minor  
Dwight Clarke  
Rev. Robert Stroud  
Charles McDonald

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Tom J. Oswalt  
Joseph J. Zarro

809 Julia Street  
Suite A  
Rayville, Louisiana 71269

(318)728-6413  
(318)728-6415  
FAX(318)728-4008

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

To the Management of Richland Parish Communication District

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Richland Parish Communication District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Richland Parish Communication District's compliance with certain laws and regulations during the two years ended December 31, 1995 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 \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

Eight expenditures were made during the year 1994 for materials and supplies exceeding \$5,000. We examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

Five expenditures were made during the year 1995 exceeding \$5,000. We examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

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 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.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed upon procedure (2).

#### Budgeting

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

Management provided us with copies of the original 1994 and 1995 budgets and the amendments to the budgets for years 1994 and 1995.

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

We traced the adoption of the original 1994 budget to the minutes of a meeting held on May 4, 1994 which indicated that the budget had been adopted by the commissioners of Richland Parish Communication District. We traced the adoption of the amendments made to the budget for the year 1994 to the minutes of a meeting held on December 5, 1994.

We traced the adoption of the original 1995 budget to the minutes of a meeting held on December 5, 1994 which indicated that the budget had been adopted by the commissioners of Richland Parish Communication District. We traced the adoption of the amendments made to the budget for the year 1995 to the minutes of a meeting held on November 6, 1995.

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 budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5% in either year 1994 or 1995.

#### Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and :
  - (a) trace payments to supporting documentation as to proper amount and payee;

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 in both years 1994 and 1995.

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

Each of the six payments were properly coded to the correct fund and general ledger account in both years 1994 and 1995.

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Manager of Richland Parish Communication District in both years 1994 and 1995.

#### 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).

Richland 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. Although management has asserted that such documents were posted without the accompanying agenda, we could find no evidence supporting such assertion.

#### Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks 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 years 1994 and 1995 to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

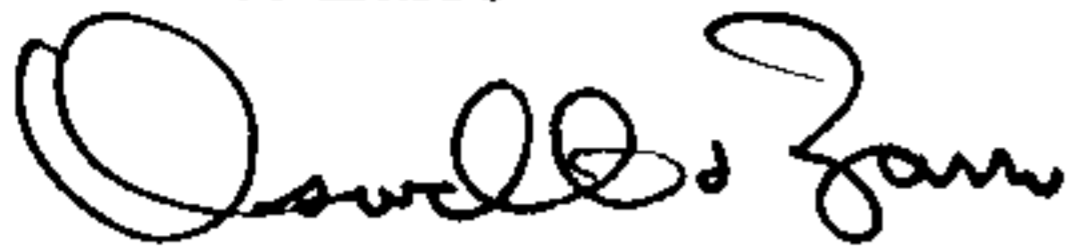
A reading of the minutes of the district for the years 1994 and 1995 indicated no approval for the payments noted. We also inspected payroll records for the years 1994 and 1995 and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

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 Richland 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.

Oswalt & Zarro

A handwritten signature in black ink, appearing to read "Oswald & Zarro". The signature is written in a cursive style with a large initial "O" and a long, sweeping tail.

Rayville, Louisiana

June 28, 1996

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RICHLAND PARISH COMMUNICATION DISTRICT  
RICHLAND PARISH POLICE JURY  
RAYVILLE, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENTS  
As of and For the Two Years Ended December 31, 1995

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 7-31-96

RICHLAND PARISH COMMUNICATION DISTRICT  
RICHLAND PARISH POLICE JURY

Component Unit Financial Statements and  
Accountant's Report  
As of and for the Two Years Ended December 31, 1995  
With Supplemental Information

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