

JACKSON PARISH COMMUNICATION DISTRICT  
Jackson Parish, Louisiana

ALL FUND TYPES AND ACCOUNT GROUP  
COMBINED BALANCE SHEET, DECEMBER 31, 1996

	GOVERNMENTAL FUND TYPE- GENERAL FUND	GENERAL FIXED ASSETS ACCOUNT GROUP	TOTAL (MEMORANDUM ONLY)
<b>ASSETS AND OTHER DEBITS</b>			
Assets:			
Cash and cash equivalents	\$61,888		\$61,888
Accounts receivable - telephone service fees	146		146
Land, buildings and equipment		11,838	11,838
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<u>\$62,034</u>	<u>\$11,838</u>	<u>\$73,872</u>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>			
Liabilities - accounts payable			
		\$138	\$138
Equity:			
Investments in general fixed assets		11,838	11,838
Fund balance -			
Unreserved - undesignated	\$1,471		\$1,471
<b>Total Equity</b>	<u>\$1,471</u>	<u>\$11,838</u>	<u>\$13,309</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$63,505</u>	<u>\$11,838</u>	<u>\$75,343</u>

See Accountants' Compilation Report

**Kenneth D. Follen & Co.**  
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**ACCOUNTANTS' COMPILATION REPORT**

Ray B. Nancy, Chairman  
and Members of the Board of Commissioners  
Jackson Parish Communication District  
P.O. Box 410  
Baton Rouge, LA 70820

We have compiled the accompanying general purpose financial statements of the Jackson Parish Communication District in accordance with standards established 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 assurance on them.



**KENNETH D. FOLLEN & CO.**  
Certified Public Accountants

Baton Rouge, Louisiana  
May 6, 1997

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JACKSON PARISH COMMUNICATION DISTRICT

JACKSON PARISH, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS  
AND ACCOUNTANTS' CERTIFICATION REPORT  
AS OF AND FOR THE TWO YEARS ENDED DECEMBER 31, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 JUN 25 1997

KENNETH D. FOLDEN & CO.  
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**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, 1996, the District has \$94,618 in deposits (collected bank balances). These deposits are insured from 0 to \$60,618 of federal deposit insurance.

**3. FIXED ASSETS**

The changes in general fixed assets follow:

	Balance January 1, 1995	Additions	Deletions	Balance December 31, 1995
Furniture and equipment	\$10,866	\$414		\$11,281
Total	<u>\$10,866</u>	<u>\$414</u>		<u>\$11,281</u>

	Balance January 1, 1996	Additions	Deletions	Balance December 31, 1996
Furniture and equipment	\$11,281	\$56		\$11,338
Total	<u>\$11,281</u>	<u>\$56</u>	\$0	<u>\$11,338</u>

**4. PENSION PLANS**

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

**5. LITIGATION AND CLAIMS**

The District is not involved in any litigation at December 31, 1996.

**Find**

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 instruments.

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 instruments.

**Advances and Allowances**

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

A reading of the columns of the district for the two years indicated no approval for the payments noted. We also inspected payroll records for the two years 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 B. HOLDEN & CO.  
Certified Public Accountants

Jacobsboro, Louisiana  
May 6, 1997

JACKSON PARISH COMMUNICATION DISTRICT  
Jackson Parish, Louisiana

General Purpose Financial Statements  
As of and for the Two Years Ended December 31, 1996

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**Independent Accountant's Report  
on Applying Agreed-Upon Procedures**

Ray L. Noney, Chairman  
and Members of the Board of Commissioners  
Jackson Parish Communication District  
P. O. Box 519  
Jennings, LA 71250

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 Jackson Parish Communication District's compliance with certain laws and regulations during the two years ended December 31, 1996 included in the accompanying Louisiana Statute 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 RSA-405:38-2121-1-2251 (the public bid law).

No expenditure was made during the year for materials and supplies exceeding \$5,000 nor any expenditure was made for public works exceeding \$50,000.

**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 RSA-405:42-1101-1124 (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 employees.

4. Determine whether any of these employees included in the listing obtained from management in agreed-upon procedure (3) were also included in the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The names of the sole employee provided by management in procedure (3) did not appear on the list provided by management in procedure (2).

JACKSON PARISH COMMUNICATIONS 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 accounts are as amended.

**F. ENCUMBRANCES**

Encumbrances accounting, under which purchase orders, contracts and all 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 no 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 (properly) 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. Policies in such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**1. CASH AND CASH EQUIVALENTS**

At December 31, 1996, the District has cash and cash equivalents (bank balances) totaling \$61,555, as follows:

Interest-bearing demand deposits	<u>\$61,555</u>
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## 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 totally 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 in 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 fund assets, and the resulting or 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.

### B. 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  
As of and for the Two Years ended December 31, 1996

**INTRODUCTION**

The Jackson Parish Communication District (District) was established in April 1988 by the Jackson Parish Police Jury, as provided by Louisiana Revised Statutes 33:5101 to 33:5186. 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, Josephine Police Chief, Josephine 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  
 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 FAYORABLE (UNFAVORABLE)
<b>Revenues</b>			
Telephone surcharges	\$44,000	\$49,047	\$4,047
Interest	1,100	1,500	100
Total revenues	<u>45,100</u>	<u>50,547</u>	<u>4,153</u>
<b>Expenditures</b>			
Current:			
Advertising	0	\$150	\$150
Payroll taxes	0	351	351
Salaries	7,100	7,100	0
Office supplies	0	0	0
Telephone	3,000	3,000	0
Equipment rental	20,500	20,500	0
Repairs and maintenance	1,000	0	1,000
Road signs	1,000	0	1,000
Mailing	0,500	0,000	1,000
Capital outlay	0	500	(500)
Miscellaneous	3,000	4,145	(1,145)
Total expenditures	<u>36,100</u>	<u>52,700</u>	<u>3,300</u>
EXCESS OF REVENUES OVER EXPENDITURES	(11,400)	(2,153)	8,893
FUND BALANCE AT BEGINNING OF YEAR	<u>41,000</u>	<u>51,000</u>	<u>10,000</u>
FUND BALANCE AT END OF YEAR	<u>\$29,600</u>	<u>\$48,847</u>	<u>\$11,673</u>

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, 1996

	BUDGET	ACTUAL	VARIANCE FAYORABLE (UNFAVORABLE)
<b>Revenues</b>			
Telephone surcharges	\$25,000	\$25,063	\$63
Interest	1,480	1,481	1
Miscellaneous	400	288	(112)
Total revenues	<u>\$26,880</u>	<u>\$26,732</u>	<u>148</u>
<b>Expenditures</b>			
Current			
Advertising	\$150	\$170	\$75
Administrative charges	1,800	1,800	
Salaries	6,000	6,014	(14)
Payroll taxes	450	450	
Office supplies	1,000	1,450	(450)
Telephone	3,000	3,773	(773)
Equipment rental	10,500	10,500	
Repairs and maintenance	500		500
Travel	2,100	1,985	215
Miscellaneous	1,000		1,000
Capital outlay		416	(416)
Mapping	1,100		1,100
Total expenditures	<u>46,100</u>	<u>46,513</u>	<u>2,178</u>
EXCESS OF REVENUES OVER EXPENDITURES	7,001	12,212	5,201
FUND BALANCE AT BEGINNING OF YEAR	<u>41,300</u>	<u>49,250</u>	<u>5,950</u>
FUND BALANCE AT END OF YEAR	<u>\$21,211</u>	<u>\$61,462</u>	<u>\$39,250</u>

By Accountants' Compilation Report

### Budgeting

5. Obtain 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, 1995. The budget was amended twice during the year.

Management provided us with a copy of the original budget for the year ended December 31, 1996. The budget was amended once during the year.

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

We traced the adoption of the original budget, for the year ended December 31, 1995, to the minutes of a meeting held on December 27, 1994, which indicated that the budget had been approved by all of the commissioners. We traced the amendments to the minutes of meetings held on July 25, 1995, and December 4, 1995, which indicated that the amended budgets had been approved by all of the commissioners.

We traced the adoption of the original budget, for the year ended December 31, 1996, to the minutes of a meeting held on November 28, 1995, 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, 1996, 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 two years did exceed budgeted amounts by more than 5%.

### Accounting and Reporting

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

We 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.

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

The twelve selected disbursements were properly coded to the correct fund and general ledger account.

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

The twelve 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 USA-RS 42-1 through 42-11 (the open meetings law).

The Jackson Parish Commission 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.