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LIVINGSTON PARISH
COMMUNICATIONS DISTRICT
ANNUAL FINANCIAL REPORT
DECEMBER 31, 1987

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 APR 23 1986

LIVINGSTON PARISH COMMUNICATIONS DISTRICT
Annual Financial Statements with Independent Auditor's Report
For the Year Ended December 31, 1997

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Livingston Parish Communications District

I have audited the accompanying general purpose financial statements of Livingston Parish Communications District, a component unit of Livingston Parish Government, as of and for the year ended December 31, 1997, as listed in the Table of Contents. These general purpose financial statements are the responsibility of Livingston Parish Communications District's management. My responsibility is to express an opinion on these general purpose financial statements based on my audits.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States and the Louisiana Governmental Audit Guide, issued by the Louisiana Legislative Auditor. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Livingston Parish Communications District as of December 31, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated March 11, 1998 on my consideration of Livingston Parish Communication District's internal control structure and a report dated March 11, 1998, on its compliance with laws and regulations.



Leroy J. Chustz
Certified Public Accountant, APAC
March 11, 1998

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

Board of Commissioners
Livingston Parish Communications District

I have audited the financial statements of Livingston Parish Communications District, a component unit of Livingston Parish Government, as of and for the year ended December 31, 1997, and have issued my report thereon dated March 11, 1998. I conducted my audit in accordance with generally accepted auditing 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 Livingston Parish Communications District's financial statements are free of material misstatement, I performed tests of 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my audits, I considered Livingston Parish Communications District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of Livingston Parish Communications District's management, and federal awarding agencies and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.


Leroy J. Chustz
Certified Public Accountant, APAC
March 11, 1998

LIVINGSTON PARISH COMMUNICATIONS DISTRICT

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1997ASSETS

	GOVERNMENTAL FUND TYPE- <u>GENERAL FUND</u>	ACCOUNT GROUP- GENERAL FIXED <u>ASSETS</u>
CURRENT ASSETS		
Cash and cash equivalents (Note 1, E)	\$599,012	\$ -0-
Receivables		
Emergency telephone charges	<u>31,245</u>	<u>-0-</u>
Total current assets	<u>-0-</u>	<u>-0-</u>
GENERAL FIXED ASSETS		
Equipment and Furniture	<u>-0-</u>	<u>299,545</u>
TOTAL ASSETS	<u>\$629,257</u>	<u>\$299,545</u>

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES		
Accounts payable	<u>\$ 79,660</u>	<u>\$ -0-</u>
Total current liabilities	<u>79,660</u>	<u>-0-</u>
FUND EQUITY		
Investment in General Fixed Assets		299,545
Fund balance-		
Designated, equipment replacement	300,000	-0-
unreserved, undesignated	<u>280,587</u>	<u>-0-</u>
Total fund equity	<u>580,587</u>	<u>299,545</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$629,257</u>	<u>\$299,545</u>

See accompanying notes to the financial statements.

LIVINGSTON PARISH COMMUNICATIONS DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -
 ALL GOVERNMENTAL FUND TYPES - GENERAL FUND
 For the Year Ended December 31, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Emergency telephone service charge	\$368,800	\$364,629	\$ 4,171
Use of money and property- Interest earnings	<u>30,900</u>	<u>26,429</u>	<u>4,471</u>
TOTAL REVENUES	<u>399,700</u>	<u>391,058</u>	<u>8,642</u>
EXPENDITURES			
Current operating			
Public safety			
Per Diem	3,000	4,000	(1,000)
Salaries & Benefits		629	(629)
Payments to other governments for salaries	180,500	201,089	(20,589)
Collectors fees	3,600	3,648	(48)
Telephone	76,300	79,652	(3,352)
Interest	8,000	8,458	(458)
Equipment Repairs and maintenance	22,500	713	21,787
Professional fees	4,000	3,325	675
Miscellaneous	9,000	6,047	2,953
Capital outlay			
Public safety-Equipment	<u>80,100</u>	<u>88,500</u>	<u>(8,400)</u>
TOTAL EXPENDITURES	<u>367,100</u>	<u>364,564</u>	<u>(2,536)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(37,400)</u>	<u>26,494</u>	<u>63,894</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>825,381</u>	<u>825,381</u>	<u>-----</u>
FUND BALANCE AT END OF YEAR	<u>\$487,981</u>	<u>\$851,875</u>	<u>\$363,894</u>

See accompanying notes to the financial statements.

LIVINGSTON PARISH COMMUNICATIONS DISTRICT

Notes to the Financial Statements For the Year Ended December 31, 1997

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

At its meeting on September 4, 1991, the Livingston Parish Police Jury, (now the Livingston Parish Council) adopted an ordinance to create Livingston Parish Communications District. Communications districts are created for the purpose of providing emergency telephone response systems to parish residents.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local government.

GASB Codification Section 2100 established criteria for determining the governmental reporting entity and component units which should be included within the reporting entity. The reporting entity for Livingston Parish includes the component unit with oversight responsibility, and other governmental entities within the parish for which the police jury has oversight responsibility. Oversight responsibility is determined on the basis of the following criteria:

1. Financial interdependency
2. Selection of governing authority
3. Designation of management
4. Ability to significantly influence operations
5. Accountability for fiscal matters
6. Scope of public service
7. Special financing relationship

Based on the previous criteria, the Livingston Parish Government has determined that Livingston Parish Communications District is part of the reporting entity based on Criteria 2, 4, and 6.

The accounting policies of Livingston Parish Communications District conform to generally accepted accounting principles. The following is a summary of the significant policies.

A. FUND ACCOUNTING

The communications district is organized and operated on the basis of a fund and account group whereby a separate, self balancing set of accounts (General Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenditures.

B. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The communications district's records are maintained on a cash basis of accounting. However, the General Fund, as reported in the accompanying financial statements, has been converted to a modified accrual basis of accounting using the following practices in recording revenues and expenditures:

Revenues

All governmental funds and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected soon enough after year-end to pay liabilities of the current period. Significant revenues susceptible to accrual include emergency telephone service charges which are recorded in the year the service charges are levied. Emergency telephone service charges are levied each month at 5% of the tariff rate for local service. The amount of service charges expected to be uncollectible is not material and no provision for such is provided.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, provided the liability normally would be liquidated with expendable available financial resources.

C. BUDGET PRACTICE

The communications district adopts an annual budget based on anticipated revenues consistent with generally accepted accounting principles. Budgetary

LIVINGSTON PARISH COMMUNICATIONS DISTRICT
Notes to the Financial Statements, Continued
December 31, 1997

accounts are not integrated in the formal accounting system. Encumbrance accounting is not followed because of the small number of transactions involved. Budgets lapse at year end.

D. GENERAL FIXED ASSETS

Fixed assets other than those accounted for in proprietary funds are general fixed assets. General fixed assets are accounted for in the General Fixed Assets Account Group rather than in the General Fund. Fixed assets are accounted for at cost and interest is not capitalized. Depreciation is not calculated and all infrastructure assets are accounted for. The following is an analysis of changes in the general fixed assets during 1997.

General Fixed Assets at 12/31/96	\$ 234,006
Acquisitions during 1997	58,509
Disposals during 1997	0
General Fixed Assets at 12/31/97	<u>\$ 292,515</u>

E. CASH AND CASH EQUIVALENTS

For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit. Under state law, the district may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the district may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

As confirmed by the fiscal agent and other institutions, the district had cash and cash equivalents totaling \$698,012 (book balances) at December 31, 1997. Cash and cash equivalents are stated at cost, which approximates market. These deposits must be secured under state law by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved. The following is a summary of cash and cash equivalents at December 31, 1997, with the related federal deposit insurance and pledged securities. The cash and cash equivalents at December 31, 1997, were secured as follows:

LIVINGSTON PARISH COMMUNICATIONS DISTRICT
 Notes to the Financial Statements, Continued
 December 31, 1997

Bank balances	\$ 595,542
Federal deposit insurance	100,000
Securities pledged- category 2	500,000
Total insurance and securities	600,000
Bank balances unsecured	\$ _____

F. PENSION PLAN AND VACATION AND SICK LEAVE

The communications district does not have any employees; therefore, there is no pension plan and no accrual for compensated absences.

G. 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.

2. SCHEDULE OF PER DIEM

Board Members are appointed by the Livingston Parish Police Jury and serve at the pleasure of the police jury. There are no set terms of office. Board Members are paid \$50.00 per diem for each meeting they attend.

<u>BOARD MEMBER</u>	<u>MEETINGS ATTENDED</u>	<u>PER DIEM</u>
C. Wayne Sanders P.O. Box 117 Denham Springs, LA 70727	13	\$ 650.00
Fred Banks 910 Hatchell Lane Denham Springs, LA 70726	11	650.00
Donald R. Dedon 34225 Walker North Road Walker, LA 70785	9	450.00
Russell D. Hutchinson 29980 Mulberry Street Albany, LA 70711	11	650.00

LIVINGSTON PARISH COMMUNICATIONS DISTRICT
Notes to the Financial Statements, Continued
December 31, 1997

C.H. Kennedy P.O. Box 34 Denham Springs, LA 70728	13	650.00
Peggy Sawoy 19090 LA HWY 16 Port Vincent, LA 70726	12	600.00
Jeffrey L. Wesley P.O. Box 458 Denham Springs, LA 70726	11	<u>550.00</u>
TOTAL		<u>\$1,800.00</u>

3. LITIGATION AND CLAIMS

According to legal counsel, there are no claims or litigation pending against the Communications District at December 31, 1997.

4. LEASES

Livingston Parish Communications District has no capital or operating lease obligations at December 31, 1997.