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CATAHOULA PARISH COMMUNICATIONS DISTRICT  
CATAHOULA PARISH POLICE JURY  
Harrisonburg, Louisiana

Component Unit Financial Statements  
and Accountant's Compilation Reports

December 31, 1997  
and for the Year Then Ended

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.

APR 15 1998  
Release Date \_\_\_\_\_

JERI SUE TOSSPON  
Certified Public Accountant

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
CATAHOULA PARISH POLICE JURY  
Harrisonburg, Louisiana

Component Unit Financial Statements  
and Accountant's Compilation Reports

December 31, 1997  
and for the Year Then Ended

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
Harrisonburg, Louisiana

Component Unit Financial Statements  
and Accountant's Compilation Report  
As of and for the Year Ended December 31, 1997

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CATAHOULA PARISH COMMUNICATIONS DISTRICT  
Harrisonburg, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS

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AFFIDAVIT

Personally came and appeared before the undersigned authority, Samuel O. Wilkerson, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Catahoula Parish Communications District as of December 31, 1997, and the results of operations for the year ended, in accordance with the basis of accounting described within the accompanying financial statements.

  
Signature

Sworn to and subscribed before me, this 21<sup>st</sup> day of March, 1998.

  
NOTARY PUBLIC

Office: Secretary/Treasurer  
Address: P O Box 304  
Harrisonburg, LA 71348  
Telephone Number: (318)744-6002

SECTION II

COMPONENT UNIT FINANCIAL STATEMENTS

**JERI SUE TOSSPON**

Certified Public Accountant  
P. O. Box 445  
Ferryport, Louisiana 71334-0445  
(318) 757-8393

Catahoula Parish Communications District  
Harrisonburg, Louisiana

I have compiled the component unit financial statements and the supplemental information schedules, as listed in the foregoing table of contents, as of and for the year ended December 31, 1997, in accordance with standards established by the American Institute of Certified Public Accountants.

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



Ferryport, Louisiana  
March 24, 1998

**CATAHOULA PARISH COMMUNICATIONS DISTRICT**  
**BALANCE SHEET**  
**(ALL FUND TYPES AND ACCOUNT GROUPS)**  
**DECEMBER 31, 1997**

	Governmental Fund General Fund	Account Group - General Fixed Assets	Total (Memorandum Only)
<b>ASSETS</b>			
Cash (Note 3)	\$ 35,325		\$ 35,325
Receivables	4,960		4,960
Equipment (Note 4)		\$ 5,910	5,910
Total Assets	\$ 39,385	\$ 5,910	\$ 45,295
 <b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 0		\$ 0
Total Liabilities	\$ 0		\$ 0
 <b>Fund equity -</b>			
Investment in general fixed assets		\$ 5,910	\$ 5,910
Fund balance, unreserved and undesignated	\$ 39,385		39,385
Total Fund Equity	\$ 39,385	\$ 5,910	\$ 45,295
Total Liabilities and Fund Equity	\$ 39,385	\$ 5,910	\$ 45,295

See accompanying notes and accountant's compilation report.

**CATAHOULA PARISH COMMUNICATIONS DISTRICT**  
**STATEMENT OF REVENUE, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**(GOVERNMENTAL FUND - GENERAL FUND)**  
**ONE YEAR ENDED DECEMBER 31, 1997**

**REVENUES**

Tariff (Note 6)	\$ 57,900
Interest	662
Other income	<u>2</u>
<b>Total Revenue</b>	<b>\$ 57,964</b>

**EXPENDITURES**

Communication services	
Personal services and related benefits	\$ 23,525
Operating services	12,166
Capital outlay	<u>0</u>
<b>Total Expenditures</b>	<b>\$ 35,711</b>

<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 22,244</b>
<b>FUND BALANCE, JANUARY 1</b>	<u>17,141</u>
<b>FUND BALANCE, DECEMBER 31</b>	<b>\$ 39,385</b>

See accompanying notes and accountant's compilation report.



**CATAHOULA PARISH COMMUNICATIONS DISTRICT**  
**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**(GOVERNMENTAL FUND - GENERAL FUND)**  
**BUDGET AND ACTUAL**  
**ONE YEAR ENDED DECEMBER 31, 1997**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>			
Tariff (Note 6)	\$ 53,345	\$ 53,240	\$ (95)
Interest	810	652	(158)
Other income	<u>0</u>	<u>2</u>	<u>2</u>
Total Revenue	<u>\$ 54,155</u>	<u>\$ 53,894</u>	<u>\$ (261)</u>
<b>DISBURSEMENTS</b>			
Communication services			
Personal services and related benefits	\$ 22,295	\$ 24,120	\$ (1,825)
Operating services	10,137	12,188	(2,051)
Capital outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 32,432</u>	<u>\$ 36,308</u>	<u>\$ (3,876)</u>
EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	<u>\$ 21,723</u>	<u>\$ 17,586</u>	<u>\$ (4,137)</u>
<b>CASH AND CERTIFICATES OF DEPOSIT</b>			
BALANCE, JANUARY 1	<u>17,740</u>	<u>17,740</u>	<u>0</u>
CASH AND CERTIFICATES OF DEPOSIT BALANCE, DECEMBER 31	<u>\$ 39,366</u>	<u>\$ 35,325</u>	<u>\$ (4,041)</u>

See accompanying notes and accountant's compilation report.

CATHOULA PARISH COMMUNICATIONS DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
As of December 31, 1997

**NOTE 1 - INTRODUCTION**

Catahoula Parish Communications District (Communications District) was created by an ordinance of the Catahoula Parish Police Jury on August 12, 1991, in accordance with Louisiana Revised Statute 31:9191. The Communications District is governed by a board of seven commissioners who are qualified voters and residents of the District. The commissioners are jointly referred to as the Board of Commissioners and appointed by the Catahoula Parish Police Jury. The commissioners serve terms of four years, which expire on a rotating basis. The Communications district was created for the purpose of owning and operating facilities to establish and operate a uniform emergency number to simplify the notification of public service personnel in the case of emergency. The commissioners do not receive any compensation. The District employs two full-time employees and part-time employees as needed through the Catahoula Parish Sheriff's Department.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**B. Financial Report Entity** - As the governing authority of the parish, for reporting purposes, the Catahoula Parish Police Jury is the financial reporting entity for Catahoula Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Catahoula Parish Police Jury for financial reporting purposes. 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:

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1997

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 nature and significance of the relationship.

Because the police jury appoints a voting majority of the Communication District's board and said board is fiscally dependent on the police jury, the district was determined to be a component unit of the Catahoula 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 of the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

**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 available financial resources.

The General Fund of the District is classified as a governmental fund. The General Fund accounts for the district's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets.

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1997

**D. Basis of Accounting** - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

**Revenues** - A tariff based on telephone service is levied based on the monthly base rate. It is due monthly and remitted to the District the next month. It is recorded in the month due.

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

**E. Budgets** - The Communications District's budget is prepared on a cash basis of accounting. Unexpended appropriations lapse at year end, and the District does not employ encumbrance accounting.

**F. Cash and Cash Equivalents** - Cash includes amounts in demand deposits. 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.

**G. Fixed Assets** - Fixed assets are recorded as expenditures at the time purchased or constructed and the related assets are capitalized. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost or estimated historical cost, using the current cost for like items, if historical cost is not available.

**H. Total Column on Balance Sheet** - The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 3 - CASH**

At December 31, 1997, the District has cash totaling \$35,325.

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. At December 31, 1997, the District has \$35,421 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance.

**NOTE 4 - CHANGES IN GENERAL FIXED ASSETS**

There were no additions to the general fixed assets in 1997.

At December 31, 1997, 100 percent of the general fixed assets are recorded at historical cost.

**NOTE 5 - RECONCILIATION OF REVENUES AND EXPENDITURES WITH RECEIPTS AND DISBURSEMENTS**

The budget comparison presented in the accompanying financial statements includes the original adopted budget. The following is a reconciliation of the excess of expenditures over revenues on the statement on page 5 to the statement on page 6:

Excess of expenditures over revenues (Page 5)	\$22,244
Adjustments for:	
Current year accruals (net)	( 4,060)
Prior year accruals (net)	(___,938)
Excess of disbursements over receipts (Page 6)	<u>\$17,246</u>

**NOTE 6 - LEVIED TARIFFS**

The District is authorized to and has levied a 5 percent tariff on the basic rate for local telephone service for the operation of the District and the purchase of necessary equipment.

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1997

**NOTE 7. PENSION PLAN**

The permanent employees of the Catahoula Parish Communications District are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from District funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1993, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1993. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

Contributions to the system include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute a percentage of their salaries to the System. As provided by Louisiana Revised Statute 11:193, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The following provides certain disclosures for the police jury and Plan A of the retirement system that are required by GASB Codification Section P30.129:

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 1997

	Year Ended December 31, 1997	
Catahoula Parish Communication District	_____	
Total current year payroll	\$22,472	
Total current year covered payroll	\$14,400	
Contributions:		
Required by statute:		
Employees*	9.50%	\$ 1,368
Employer	7.75%	1,116
Total	16.75%	\$ 2,484
* In excess of \$100 per month		
Actual:		
Employees	9.50%	\$ 1,368
Employer	7.75%	1,116
Total	16.75%	\$ 2,484
Actuarially required:		
Employees	9.50%	\$ 1,368
Employer	5.73%	825
Total	15.23%	\$ 2,193

	Year ended December 31, 1997
Net Assets	\$ 701,060,019
Pension benefit obligation	815,248,050
Unfunded pension benefit obligation	\$ (114,188,031)

CATAHOULA PARISH COMMUNICATIONS DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
December 31, 1997

The pension benefit obligation is presented as of December 31, 1996, because the December 31, 1997, information is not available. The pension benefit obligation is a standardized measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rated benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PSRS and employers. The System does not make separate measurements of asset and pension benefit obligations for individual employers.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's December 31, 1997, comprehensive annual financial report. The District does not guarantee the benefits granted by the System.

**NOTE 8 - LITIGATION**

The District is not involved in any litigation at December 31, 1997.



**SECTION III**

**REPORT ON AGREED-UPON PROCEDURES**

## JERI SUE TOSSPON

Certified Public Accountant  
P. O. Box 443  
Ferryport, Louisiana 71334-0443  
(214) 747-8383

### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Catahoula Parish Communications District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the communication District's compliance with certain laws and regulations during the period ended December 31, 1997 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, I 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 will determine whether such purchases were made in accordance with LSA-RS 38:2211-2221 (the public bid law).

No expenditures in excess of \$5,000 were made.

#### 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 provides me with the required list including the noted information.

3. Obtain from management a listing of employees paid during the period under examination.

Management provided me 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 in agreed upon procedure (3) appeared on the list provided by management in agreed upon procedure (2).

### Budgeting

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

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

I traced the adoption of the original budget to the minutes of a meeting held on November 13, 1996 which indicated that the budget had been adopted by Board of Directors in a unanimous vote. No amendments were made to the budget during the year.

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%.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year varied from budgeted amounts as follows:

Interest income	+	10%
Personnel expenditures	-	8%
Operating expenses	-	20%

### 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 of payee;

I 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 whether payments were properly coded to the correct fund and general ledger account; and

All of the payments were properly coded to the correct fund and general ledger account.

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

All of the payments were properly approved by the Secretary/Treasurer of the District.

#### Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minutes book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Catahoula Parish Communications District is required to post a notice of each meeting and the accompanying agenda on the door of the district's office. Management has asserted in the attached Compliance Questionnaire that this is being done.

#### 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.

I 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. However, due to the negative answer to the Debt item in the Louisiana Attestation Questionnaire, and review of the supporting documents, it was found that the district leased a copier during 1997 at the monthly payment amount of \$99 that is in the nature of a capital lease. The district has been informed of this and plans to pay the lease in full as of this date.

### 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, advance or gifts.

A reading of the minutes of the District for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was 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, I do not express such an opinion. Had I 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 Catahoula Parish Communications 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.



March 24, 1998