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EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Financial Report

Year Ended December 31, 1997

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 JUL 22 1998

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MANAGEMENT LETTER

The President and Members of
the Board of Commissioners
Evangeline Parish Communications District
Ville Platte, Louisiana

During our audit of the financial statements of the Evangeline Parish Communications District, as of and for the year ended December 31, 1997, we noted certain areas in which improvements in the accounting system and financial practices may be desirable. Therefore, we submit the following suggestions for your consideration:

- (1) All action necessary to adopt and otherwise finalize and implement the budget for an ensuing fiscal year shall be taken in an open meeting and completed prior to the end of the fiscal year with documentation in the minutes of the appropriate board meeting.
- (2) A Form 1099 should be issued to any individuals for whom the District contracts services in excess of \$600 per year.

In conclusion, we would like to express our appreciation to you and your office staff for the courtesies and assistance rendered to us during the performance of our audit. Should you have any questions or need assistance in implementing any of our suggestions, please feel free to contact us.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 5, 1998

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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INDEPENDENT AUDITORS' REPORT

The President and Members of
the Board of Commissioners
Evangeline Parish Communications District
Ville Platte, Louisiana

We have audited the accompanying general purpose financial statements of the Evangeline Parish Communications District, a component unit of the Evangeline Parish Police Jury, 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 the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

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

In accordance with Government Auditing Standards, we have also issued a report dated June 5, 1998 on our consideration of the Evangeline Parish Communications District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts.

The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the financial statements of the Evangeline Parish Communications District.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 5, 1998

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

Evangeline Parish Communications District
Ville Platte, Louisiana

Combined Balance Sheet - All Governmental Fund Types and Account Group
December 31, 1997

	Governmental Fund Type General	Account Group General Fixed Assets	Totals (Memorandum Only)	
			1997	1996
ASSETS				
Cash and interest-bearing deposits	\$355,753	\$ -	\$355,753	\$299,875
Revenue receivable	103,794	-	103,794	114,243
Fixed assets	-	133,239	133,239	25,724
Total assets	\$459,547 =====	\$133,239 =====	\$592,786 =====	\$439,842 =====
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 18,911	\$ -	\$ 18,911	\$ 1,630
Fund equity and other credits:				
Investment in general fixed assets	-	133,239	133,239	25,724
Fund balance - unreserved, undesignated	440,636	-	440,636	412,488
Total fund equity and other credits	440,636	133,239	573,875	438,212
Total liabilities and fund equity	\$459,547 =====	\$133,239 =====	\$592,786 =====	\$439,842 =====

The accompanying notes are an integral part of this statement.

Evangeline Parish Communications District
 Ville Platte, Louisiana
 General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 Year Ended December 31, 1997
 With Comparative Actual Amounts for the Year Ended December 31, 1996

	1997		Variance - Favorable (Unfavorable)	1996 Actual
	<u>Budget</u>	<u>Actual</u>		
Revenues:				
Ad valorem tax	\$ 83,000	\$ 86,202	\$ 3,202	\$ 93,160
Telephone surcharges	163,000	171,838	8,838	167,538
Miscellaneous	100	8,604	8,504	329
Interest on deposits	<u>5,000</u>	<u>14,349</u>	<u>9,349</u>	<u>13,932</u>
Total revenues	<u>251,100</u>	<u>280,993</u>	<u>29,893</u>	<u>274,959</u>
Expenditures:				
Current -				
Advertising	200	172	28	-
Auto expense	3,500	1,820	1,680	4,995
Consulting fees	2,000	4,000	(2,000)	4,800
Dues and subscriptions	200	245	(45)	84
Repairs and maintenance	-	1,523	(1,523)	-
Insurance	4,000	3,934	66	2,469
Miscellaneous	100	263	(163)	2,988
Education	5,000	1,875	3,125	1,050
Rent	-	-	-	1,585
Office	3,500	7,963	(4,463)	3,286
Postage	400	2,147	(1,747)	1,466
Supplies	5,500	35,582	(30,082)	1,325
Telephone	21,171	19,297	1,874	3,985
Accounting	2,500	3,000	(500)	2,400
Salaries & related benefits	135,000	58,816	76,184	67,974
Pension	-	2,872	(2,872)	2,949
Capital outlay -				
Vehicles	-	18,108	(18,108)	-
Equipment	40,000	42,945	(2,945)	3,630
Building improvements	<u>28,320</u>	<u>48,283</u>	<u>(19,963)</u>	<u>-</u>
Total expenditures	<u>251,391</u>	<u>252,845</u>	<u>(1,454)</u>	<u>104,986</u>
Excess of revenues over expenditures	(291)	28,148	28,439	169,973
Fund balance, beginning of year	<u>412,488</u>	<u>412,488</u>	<u>-</u>	<u>242,515</u>
Fund balance, end of year	\$412,197 *****	\$440,636 *****	\$ 28,439 *****	\$412,488 *****

The accompanying notes are an integral part of this statement.

Evangeline Parish Communications District
Ville Platte, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The Evangeline Parish Communications District (hereafter referred to as the "District") has been created by and in accordance with provisions of Louisiana Revised Statute Title 33, Chapter 31, Section 9101-9106 for the purpose of establishing an Enhanced Emergency 911 Service.

A. Basis of Presentation

The accompanying general purpose financial statements of the Evangeline Parish Communications 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. Financial Reporting Entity

This report includes all funds which are controlled by or dependent on the District and legislative branches (the President and Board of Commissioners). Control by or dependence on the District was determined on the basis of general oversight responsibility.

The Evangeline Parish Communications District is a component unit of the Evangeline Parish Policy Jury, the primary government. The Commissioners of the Communications District are appointed by the Evangeline Parish Police Jury. The component unit financial statements of Evangeline Parish Communications District only includes funds and activities that are within the general oversight responsibility of the District.

C. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which are considered a separate accounting entity. The operations of the funds are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are accounted for in an individual fund based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements is described as follows:

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to Financial Statements (Continued)

General Fund

The General Fund is used to account for all financial resources of the District. General operating expenditures are paid from this fund.

D. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental fund. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

E. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The District's records are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

F. Budgetary Accounting

A budget for the General Fund was prepared but not formally adopted in accordance with LSA-R.S. 39:1308, cited as the "Louisiana Local Government Budget Act."

G. Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to Financial Statements (Continued)

(2) Interest-bearing deposits

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 1997, the District had cash and interest-bearing deposits (book balance) totaling \$355,753 as follows:

Demand Deposits	\$203,834
Time Deposits	<u>151,919</u>
 Total	 \$355,753 =====

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balance) 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 bank. 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. Deposit balances (bank balances) at December 31, 1997, are secured as follows:

Bank Balances	\$362,708 =====
 Federal deposit insurance	 \$200,000
Pledged securities	<u>162,708</u>
Total federal insurance and pledged securities	 \$362,708 =====

(3) Ad Valorem Taxes

Ad valorem taxes are collected and remitted to the District by the Evangeline Parish Sheriff's office. Billed taxes became delinquent on January 1 of the following year.

For the year ended December 31, 1997, taxes of 1.00 mills were levied on property with assessed valuations totaling \$92,898,750.

Total taxes levied in 1997 were \$92,899. Taxes receivable were \$87,603 at December 31, 1997.

EVANGELINE PARISH COMMUNICATIONS DISTRICT
Ville Platte, Louisiana

Notes to Financial Statements (Continued)

(4) Board of Commissioners' Compensation

No per diem or other compensation was paid to commissioners of the Evangeline Parish Communications District for the year ended December 31, 1997.

(5) Pension Plan

The Evangeline Parish Communications District participates in the Parochial Employees Retirement System of Louisiana. The System provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana State Statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Parochial Employee's Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898.

Plan members are required to contribute 9.5 percent of their annual covered salary and the District is required to contribute at the statutory rate of 7.75 percent of annual covered payroll. The District's contributions to the system for the year ended December 31, 1997 amounted to \$2,872, equal to the required contribution.

(6) General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance <u>December 31, 1996</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>December 31, 1997</u>
Furniture, fixtures and equipment	\$15,729	\$ 43,684	\$2,560	\$ 56,853
Automobile	9,995	18,108	-	28,103
Building improvements	<u> -</u>	<u>48,283</u>	<u> -</u>	<u>48,283</u>
 Total general fixed assets	 \$25,724 =====	 \$110,075 =====	 \$2,560 =====	 \$133,239 =====

(7) Litigation

There is no litigation pending against the Evangeline Parish Communication District at December 31, 1997.

INTERNAL CONTROL AND COMPLIANCE

KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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Independent Auditors' Report on Compliance
and on Internal Control Over Financial
Reporting Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards

The President and Members of
the Board of Commissioners
Evangeline Parish Communications District
Ville Platte, Louisiana

We have audited the general purpose financial statements of the Evangeline Parish Communications District, a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 1997 and have issued our report thereon dated June 5, 1998. We conducted our audit in accordance with generally accepted auditing standards and the 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 Evangeline Parish Communications District's general purpose financial statements are free of material misstatement, we performed tests of its 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards, which are described in the accompanying corrective action plan for current year audit findings as item number one and number three.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Evangeline Parish Communications District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Evangeline Parish Communications District's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition noted is described as item number two in the accompanying corrective action plan for current year audit findings.

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 general purpose 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

This report is intended for the information of the Board of Commissioners and Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 5, 1998

EVANGELINE PARISH COMMUNICATIONS DISTRICT

Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 1997

<u>Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
1995	The District did not have adequate segregation of functions within the accounting system	No	Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties
1995	The District failed to comply with certain provisions of Louisiana Local Government Budget Act	No	The District will comply with all requirements of the Louisiana Local Government Budget Act
1996	The District did not have adequate securities pledged for deposits	Yes	N/A
1996	A Form 1099 should be issued to any individuals for whom the District contracts services in excess of \$600	No	The District will issue 1099's to all individuals with whom services are contracted in excess of \$600

EVANGELINE PARISH COMMUNICATIONS DISTRICT

Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 1997

<u>Reference Number</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Names of Contact Persons</u>	<u>Anticipated Completion Date</u>
1.	The District failed to comply with certain provisions of the Louisiana Local Government Budget Act when it did not adequately document actions taken to adopt and otherwise finalize and implement the budget for the ensuing fiscal year	The District agrees to properly document the adoption of the annual operating budget as required by state statute	George Broussard	December 31, 1998
2.	Due to the small number of employees, the District did not have adequate segregation of functions within the accounting system	Based upon the size of the operation and the cost benefit of personnel, it may not be feasible to achieve complete segregation of duties	George Broussard	N/A
3.	The District did not issue 1099's to individuals with whom the District contracted services	In the future the District will issue 1099's to all individuals with whom services are contracted	George Broussard	December 31, 1998