

9290 OFFICIAL

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

FINANCIAL REPORT
(Compiled)

AND

REPORT ON APPLYING AGREED-UPON PROCEDURES

December 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 3.31.04

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HILL, INZINA & COMPANY

ACCOUNTANT'S COMPILATION REPORT

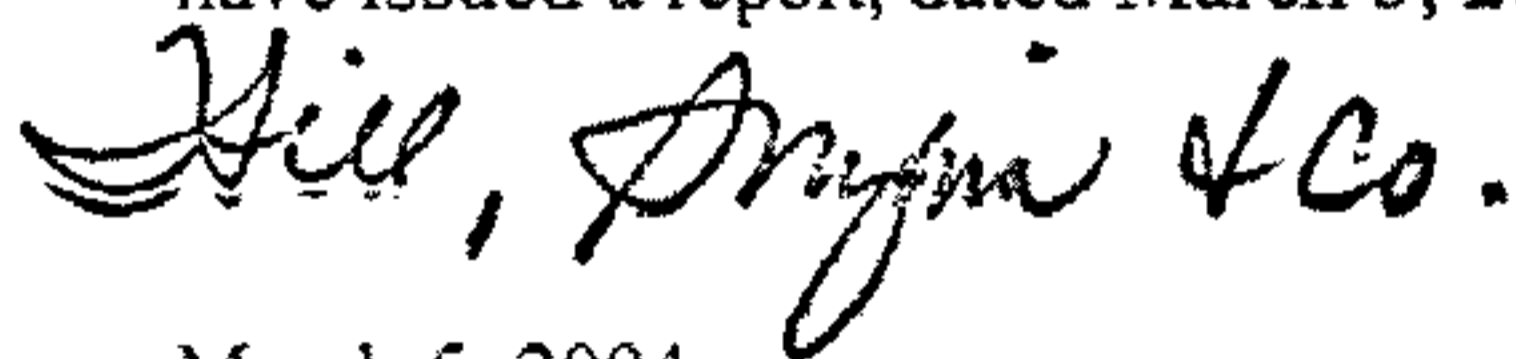
Board of Commissioners
Morehouse Parish Communications District
Bastrop, Louisiana

We have compiled the accompanying basic financial statements and supplementary information of Morehouse Parish Communications District (a component unit of Morehouse Parish), as of and for the year ended December 31, 2003, 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 of the District. We have not audited or reviewed the accompanying basic financial statements or the supplementary information and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America and management's discussion and analysis required by Statement No. 34 issued by the Governmental Accounting Standards Board. If the omitted disclosures and management's discussion and analysis were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, net assets, revenues, and expenses/expenditures. Accordingly, these financial statements are not designed for those who are not informed about such matters.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated March 5, 2004, on the results of our agreed-upon procedures.



March 5, 2004

BASIC FINANCIAL STATEMENTS

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES - GENERAL
December 31, 2003

ASSETS

Cash	\$	310,682
Investments		100,405
User fees receivable		27,642
Capital assets, net of depreciation		<u>2,157</u>
Total assets	\$	<u>440,886</u>

LIABILITIES

Accrued expenses	\$	199
Accounts payable		<u>3,724</u>
Total liabilities	\$	<u>3,923</u>

NET ASSETS

Invested in capital assets	\$	2,157
Unreserved and undesignated		<u>434,806</u>
Total net assets	\$	<u>436,963</u>
Total liabilities and net assets	\$	<u>440,886</u>

See accountant's compilation report.

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES - GENERAL
For the Year Ended December 31, 2003

Expenses:

Public safety:

Commissioners' fees	\$ 845
Contractual services	24,000
Depreciation	5,970
Dispatchers' supplemental pay	8,985
Legal and accounting	2,650
Legal publishing	237
Maintenance and use	77,606
Materials and supplies	19,745
Office and postage	43
Repairs and maintenance	7,822
Salaries	5,198
Storage	480
Taxes - payroll	398
Telephone	509
Total expenses	<u>\$ 154,488</u>

General revenues:

Fees and services	\$ 224,991
Interest	2,430
Total general revenues	<u>\$ 227,421</u>

Change in net assets \$ 72,933

Net assets - beginning 364,030

Net assets - ending \$ 436,963

See accountant's compilation report.

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUND - GENERAL
December 31, 2003

ASSETS

Cash	\$	310,682
Investments		100,405
User fees receivable		<u>27,642</u>
Total assets	\$	<u>438,729</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accrued expenses	\$	199
Accounts payable		<u>3,724</u>
Total liabilities	\$	3,923
Fund balance - unreserved and undesignated		<u>434,806</u>
Total liabilities and fund balance	\$	<u>438,729</u>

See accountant's compilation report.

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND - GENERAL
For the Year Ended December 31, 2003

Revenues:	
Fees and services	\$ 224,991
Interest	2,430
Total revenues	<u>\$ 227,421</u>
Expenditures:	
Public safety:	
Commissioners' fees	845
Contractual services	24,000
Dispatchers' supplemental pay	8,985
Legal and accounting	2,650
Legal publishing	237
Maintenance and use	77,606
Material and supplies	19,745
Office and postage	43
Repairs and maintenance	7,822
Salaries	5,198
Storage	480
Taxes - payroll	398
Telephone	509
Total expenditures	<u>\$ 148,518</u>
Net change in fund balance	\$ 78,903
Fund balance - beginning	<u>355,903</u>
Fund balance - ending	<u><u>\$ 434,806</u></u>

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS

December 31, 2003

Total fund balance - governmental fund balance sheet \$ 436,963

Amounts reported for governmental activities in statement of net
assets are different because:

Capital assets used in governmental activities are not financial resources
and therefore are not reported in the fund. (2,157)

Total net assets - government-wide statement of net assets \$ 434,806

See accountant's compilation report.

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

December 31, 2003

Net change in fund balance - governmental fund \$ 78,903

Amounts reported for governmental activities in statement of
activities are different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense. This is the amount
of depreciation for the current period.

(5,970)

Change in net assets - government-wide statement of activities

\$ 72,933

See accountant's compilation report.

SUPPLEMENTARY INFORMATION

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - GOVERNMENTAL FUND - GENERAL
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget - Favorable (Unfavorable)
Budgetary fund balance - beginning	\$ 82,403	\$ 82,403	\$ 355,903	\$ 273,500
Resources (inflows):				
Fees and services	215,275	215,275	224,991	9,716
Interest	-	-	2,430	2,430
Amounts available for appropriation	<u>\$ 297,678</u>	<u>\$ 297,678</u>	<u>\$ 583,324</u>	<u>\$ 285,646</u>
Charges to appropriations (outflows):				
Public safety:				
Commissioners' fees	\$ 1,650	\$ 1,650	\$ 845	\$ 805
Contractual services	24,000	24,000	24,000	-
Dispatchers' supplemental pay	10,200	10,200	8,985	1,215
Dispatchers' training	10,000	10,000	-	10,000
Legal and accounting	4,000	4,000	2,650	1,350
Legal publishing	-	-	237	(237)
Maintenance and use	65,000	65,000	77,606	(12,606)
Materials and supplies	45,000	45,000	19,745	25,255
Office and postage	-	-	43	(43)
Refunds	-	-	-	-
Repairs and maintenance	-	-	7,822	(7,822)
Salaries	4,800	4,800	5,198	(398)
Storage	700	700	480	220
Taxes - payroll	900	900	398	502
Telephone	-	-	509	(509)
Travel and meetings	1,000	1,000	-	1,000
Capital outlay	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Total charges to appropriations	<u>\$ 267,250</u>	<u>\$ 267,250</u>	<u>\$ 148,518</u>	<u>\$ 118,732</u>
Budgetary fund balance - ending	<u>\$ 30,428</u>	<u>\$ 30,428</u>	<u>\$ 434,806</u>	<u>\$ 404,378</u>

See accountant's compilation report.

MOREHOUSE PARISH COMMUNICATIONS DISTRICT
BASTROP, LOUISIANA

SCHEDULE OF COMPENSATION PAID COMMISSIONERS
Year Ended December 31, 2003

The schedule of compensation paid to commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the commissioners is included in the public safety expenditures of the General Fund.

<u>Name and Title</u>	<u>Compensation</u>
Steve Fuller, Chairman	\$ -
James Bonsall, Treasurer	250
J.D. Kelley	140
Paul James	35
Leland Rawls	175
Bill Frank	175
Henry Reese	<u>70</u>
Total compensation	<u>\$ 845</u>

See accountant's compilation report.

HILL, INZINA & COMPANY

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Morehouse Parish Communications District
Bastrop, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Morehouse Parish Communications District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2003, 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 and applicable standards of *Government Auditing Standards*. 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.

Our applied procedures, together with any findings, follow:

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).
 - Our review of expenditure totals and the detail general ledger revealed no individual expenditure for materials and supplies exceeding \$15,000 and no individual expenditure for public works exceeding \$100,000.

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 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.

3. Obtain from management a listing of all employees paid during the period under examination.
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.
 - Management provided the required information. The employee included on the employee list provided by management in agreed-upon procedure (3) did not appear on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.
6. Trace the budget adoption and amendments to the minute book.
7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted amounts by 5% or more.
 - Management provided a copy of the original budget. We traced the adoption of the original budget to the minutes of a meeting held on December 16, 2002, which indicated that the budget was adopted by the Commissioners of the District by a unanimous vote. No amendments were made to the budget.
 - 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%.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and (a) trace payments to supporting documentation as to proper amount and payee; (b) determine if payments were properly coded to the correct fund and general ledger account; and (c) determine whether payments received approval from proper authorities.
 - We examined supporting documentation for each of the six selected disbursements and found that the payments were for the proper amounts and made to the correct payees; were properly coded to the correct fund and general ledger accounts; and received approval from the Board of Commissioners.

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).
 - The District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's meeting location. We examined such documents and management has asserted that such were properly posted.

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 scanned bank deposits and the detail general ledger 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 year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.
 - A reading of the minutes for the District for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Our prior year report, dated March 26, 2003, did not include any comments or unresolved matters.

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.

This report is intended solely for the use of management of Morehouse 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hill, Arzoo & Co.

March 5, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE

December 18, 2003 (Date Transmitted)

In connection with the compilation of our financial statements as of December 31, 2003, and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 12/18/03 (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes [] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60 - 1410.65.

Yes [] No []


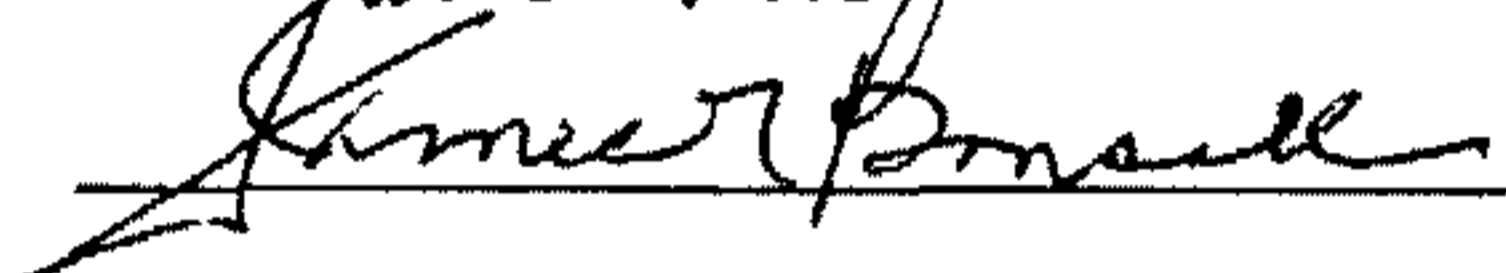
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

 Chairman 12-18-03 Date
 Treasurer 12-18-03 Date