

**FRANKLIN PARISH COMMUNICATIONS DISTRICT  
WINNSBORO, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**FRANKLIN PARISH COMMUNICATIONS DISTRICT  
WINNSBORO, LOUISIANA  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Commissioners  
Franklin Parish Communications District  
Winnsboro, Louisiana

We have reviewed the accompanying financial statements of the governmental activities of the Franklin Parish Communications District, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Franklin Parish Communications District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

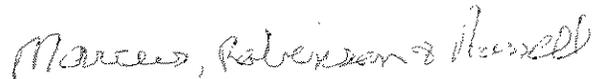
**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Government Audit Guide and the provisions of State law, we have issued a report, dated January 11, 2019, on the results of our agreed-upon procedures.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison information on pages 4 through 7 and 31 are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information was not audited, reviewed, or compiled by us, and we do not express an opinion or provide any assurance on it.



MARCUS, ROBINSON & HASSELL, CPAs

Winnsboro, Louisiana  
January 11, 2019

**REQUIRED SUPPLEMENTAL INFORMATION  
PART I**

FRANKLIN PARISH COMMUNICATIONS DISTRICT  
ENHANCED 911  
6558 MAIN ST  
P. O. BOX 366  
WINNSBORO, LOUISIANA 71295

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## FRANKLIN PARISH COMMUNICATIONS DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2018

As management of the Franklin Parish Communications District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended September 30, 2018. This discussion and analysis of management is designed to provide an objective and easy to read analysis of the District's financial activities based on currently known facts, decisions or conditions. It is intended to provide readers with a broad overview of the District's finances. It is also intended to provide readers with an analysis of the District's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the District. Specifically, this section is designed to assist the readers in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position (it's ability to address the next and subsequent year's challenges), identify any material deviations from the financial plan (approved budget), and identify issues or concerns of individual funds.

As with other sections of this financial report, the information contained within this discussion and analysis of management should be considered only a part of the greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the supplementary information that are provided in addition to this discussion and analysis of management.

#### Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's financial statements. The District's basic financial statements consist of the government-wide financial statements, the fund financial statements and the notes to the financial statements. Supplementary information is included which is in addition to the basic financial statements themselves.

Government-wide financial statements are designed by Governmental Accounting Standards Board No. 34 to change the way in which governmental financial statements are presented. It now provides readers for the first time with a concise "entry-wide" statement of net assets and statement of

activities, seeking to give the user of the financial statements a broad overview of the District's financial position and the results of operations in a manner similar to private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The difference between the assets and liabilities is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or weakening.

The statement of activities presents information detailing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in flows in future periods.

**Financial Analysis of the District as a Whole**

The District's net position as of September 30, 2018 was \$508,121, an increase of \$64,993 from the previous year.

	<u>District's Net Position</u>	
	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Current & Other Assets	502,461	420,545
Capital Assets	<u>22,193</u>	<u>23,155</u>
<b>Total Assets</b>	<b>524,654</b>	<b>443,700</b>
Deferred Outflows of Resources	<u>20,461</u>	<u>39,878</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>545,115</b>	<b>483,578</b>
Current Liabilities	730	601
Long-Term Liabilities	<u>-0-</u>	<u>33,910</u>
<b>Total Liabilities</b>	<b>730</b>	<b>34,511</b>
Deferred Inflows of Resources	<u>36,264</u>	<u>5,939</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b><u>36,994</u></b>	<b><u>40,450</u></b>
Net Position		
Net Investment in Capital Assets	22,193	23,155
Unrestricted	<u>485,928</u>	<u>419,973</u>
<b>Total Net Position</b>	<b><u>508,121</u></b>	<b><u>443,128</u></b>

### Governmental Activities

Revenues for the District's governmental activities increased 9.0728% to \$285,437 while total expenses increased 7.5064% to \$220,444.

	<u>Changes in District's Net Position</u>	
	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Program Revenues		
Fees, Charges and Commissions	<u>284,003</u>	<u>261,180</u>
<b>Total Program Revenues</b>	<b>284,003</b>	<b>261,180</b>
General Revenues		
Interest Income	<u>1,434</u>	<u>514</u>
<b>Total General Revenues</b>	<b>1,434</b>	<b>514</b>
Total Revenues	285,437	261,694
General Governmental Expenses	<u>220,444</u>	<u>205,052</u>
Change in Net Position	<u>64,993</u>	<u>56,642</u>

### Financial Analysis of the Government's Funds

Fund accounting is used by the Franklin Parish Communications District to demonstrate its compliance with finance related legal requirements and to provide information used in determining the government's financing needs. Governmental funds are used to provide information on near-term inflows, outflows, and expendable resource balances. The unreserved fund balance may be used to gauge the government's end of year net resources that will be available for spending.

The Franklin Parish Communications District's combined governmental fund balances as of September 30, 2018 is \$489,470. The September 30, 2017 combined governmental fund balance was \$419,944. This is an increase of \$69,526. Of the September 30, 2018 balances, \$489,470 is unassigned.

### General Fund Budgetary Summary

The general fund's original budget was amended at year-end to reflect an increase in expected revenues and a decrease in expected expenditures. Actual revenues were \$867 or .3047 percent more than the amended budget. Actual expenditures were more than the amended budget by \$455, which is .2112 percent of the budgeted amount.

**Capital Assets and Debt Administration:**

**Capital Assets**

The Franklin Parish Communications District's investment in capital assets for its governmental activities as of September 30, 2018 amounts to \$22,193 (net of accumulated depreciation). Fixed assets decreased by \$962 for the year.

The following summarizes Capital assets:	<u>9/30/18</u>	<u>9/30/17</u>
Capital Assets:		
Office Furniture & Equipment	220,114	214,203
Vehicles	<u>48,933</u>	<u>48,933</u>
	269,047	263,136
Accumulated Depreciation	<u>(246,854)</u>	<u>(239,981)</u>
Capital Assets, net	<u>22,193</u>	<u>23,155</u>

**Long-Term Debt**

At September 30, 2018, the District had the following long-term debt outstanding at year end.

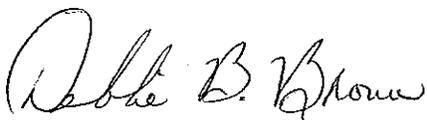
	<u>Governmental Activities</u>	
	<u>2018</u>	<u>2017</u>
Net Pension Liability	<u>-0-</u>	<u>33,910</u>
Total	<u>-0-</u>	<u>33,910</u>

**Future Budget and Economic Outlook**

The future budget for the Franklin Parish Communications District shows little increase in revenue and an increase also in expenses.

**Requests for Information**

This report may be used by all persons with an interest in the financial status of the Franklin Parish Communications District. It is designed to help the reader gain a general overall view of the District's finances. Any question or request for additional information should be addressed to the Franklin Parish Communications District, 6658 Main Street, P. O. Box 366, Winnsboro, Louisiana 71295.



Debbie B. Brown  
Director

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2018**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

**ASSETS**

Cash and Cash Equivalents	447,807
Accounts Receivable	42,393
Capital Assets (net of accumulated depreciation)	22,193
Net Pension Asset	<u>12,261</u>
 TOTAL ASSETS	 524,654

**DEFERRED OUTFLOWS OF RESOURCES**

Pension Related	<u>20,461</u>
 Total Deferred Outflows of Resources	 <u>20,461</u>

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>545,115</u></u>
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**LIABILITIES, DEFERRED INFLOWS OR RESOURCES, AND NET POSITION**

**LIABILITIES**

Accrued Payroll Taxes	<u>730</u>
 TOTAL LIABILITIES	 730

**DEFERRED INFLOWS OF RESOURCES**

Pension Related	<u>36,264</u>
 Total Deferred Inflows of Resources	 36,264

**NET POSITION**

Net Investment in Capital Assets	22,193
Unrestricted	<u>485,928</u>
 TOTAL NET POSITION	 <u>508,121</u>

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>545,115</u></u>
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See accompanying notes and independent accountant's review report

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<u>EXPENSES</u>	<u>PROGRAM REVENUES OPERATING AND CAPITAL GRANTS</u>	<u>NET (EXPENSE) REVENUES AND CHANGES IN NET ASSETS</u>
<b><u>FUNCTIONS/PROGRAMS:</u></b>			
<b><u>Public Safety:</u></b>			
Personal Services	132,895	0	(132,895)
Operating Services	79,403	0	(79,403)
Materials & Supplies	1,206	0	(1,206)
Travel & Other Charges	67	0	(67)
Depreciation	<u>6,873</u>	<u>0</u>	<u>(6,873)</u>
Total Governmental Activities	220,444	0	(220,444)
<b><u>PROGRAM REVENUES</u></b>			
911 Fees			278,181
911 Signs			2,525
Other Income			<u>3,297</u>
Total Program Revenues			<u>284,003</u>
Net Program Income (Expense)			63,559
<b><u>GENERAL REVENUES</u></b>			
Interest Income			<u>1,434</u>
Total General Revenues			<u>1,434</u>
<b><u>CHANGES IN NET POSITION</u></b>			
<b><u>NET POSITION AT BEGINNING OF YEAR</u></b>			
			<u>443,128</u>
<b><u>NET POSITION AT END OF YEAR</u></b>			
			<u><u>508,121</u></u>

See accompanying notes and independent accountant's review report

**BASIC FINANCIAL STATEMENTS**

**FUND FINANCIAL STATEMENTS (FFS)**

FRANKLIN PARISH COMMUNICATIONS DISTRICT  
WINNSBORO, LOUISIANA  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
SEPTEMBER 30, 2018

<u>ASSETS</u>	<u>GENERAL</u>
Cash	447,807
Accounts Receivable	<u>42,393</u>
 TOTAL ASSETS	 <u><u>490,200</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>	
Liabilities:	
Accrued Payroll Taxes	<u>730</u>
 Total Liabilities	 730
 Fund Balances:	
Unassigned	<u>489,470</u>
 Total Fund Balance	 <u>489,470</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>490,200</u></u>

See accompanying notes and independent accountant's review report

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE GOVERNMENT-WIDE**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2018**

Total Fund Balances at September 30, 2018 - Governmental Funds		489,470
Deferred Outflows - Pension Related		20,461
Cost of Capital Assets at September 30, 2018	269,047	
Less: Accumulated Depreciation at September 30, 2018	<u>(246,854)</u>	22,193
Net Pension Asset		12,261
Deferred Inflows - Pension Related		<u>(36,264)</u>
<b>NET POSITION AT SEPTEMBER 30, 2018</b>		<b><u>508,121</u></b>

See accompanying notes and independent accountant's review report

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

<u>REVENUES</u>	<u>GENERAL</u>
911 Fees	278,181
911 Signs	2,525
Other Income	3,297
Interest Income	<u>1,434</u>
 TOTAL REVENUE	 285,437
 <u>EXPENDITURES</u>	
Personal Services	129,324
Operating Services	79,403
Materials & Supplies	1,206
Capital Outlay	5,911
Travel & Other Charges	<u>67</u>
 TOTAL EXPENDITURES	 <u>215,911</u>
 <u>EXCESS (DEFICIENCY) OF REVENUES</u> <u>OVER EXPENDITURES</u>	 69,526
 <u>FUND BALANCE AT BEGINNING OF YEAR</u>	 <u>419,944</u>
 <u>FUND BALANCE AT END OF YEAR</u>	 <u><u>489,470</u></u>

See accompanying notes and independent accountant's review report

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**RECONCILIATION OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Total Net Change in Fund Balances - Governmental Funds 69,526

Amounts reported for governmental activities in the  
Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay for the period:

Capital Outlays	5,911	
Depreciation	6,873	(962)
Non-Employer Contributions to Cost-Sharing		
Pension Plan		1,228
Pension Expense		<u>(4,799)</u>

Changes in Net Position of Governmental Activities 64,993

See accompanying notes and independent accountant's review report

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**INTRODUCTION**

Franklin Parish Communications District was created by the Franklin Parish Police Jury. The district is governed by a seven-member board appointed by the police jury. The district is responsible for installation, maintenance and operation of a 911 emergency system in Franklin Parish.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Franklin Parish Communications District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments. Certain of the significant changes in the Statement include the following:

A Management Discussion and Analysis (MD&A) section providing an analysis of the Communications District's overall financial position and results of operations.

Financial statements prepared using full accrual accounting for all the Communications District's activities.

**B. REPORTING ENTITY**

The reporting entity for Franklin Parish consists of the Franklin Parish Police Jury, which as governing authority of the parish is the component unit with oversight responsibility, and other governmental units (component units within the parish) over which the police jury exercises oversight responsibility. In accordance with GASB Codification Section 2100, Franklin Parish Communications District is considered a component unit of the parish reporting entity because: (1) commissioners of the district are appointed by the Franklin Parish Police Jury and, (2) the district provides 911 emergency service to residents within Franklin Parish. While Franklin Parish Communications District is an integral part of the parish reporting entity and should be included within the general purpose financial statements of that reporting entity, GASB Codification Section 2600 provides that a component unit may also issue financial statements separate from those of the reporting entity. Accordingly, the accompanying financial statements present information only on the financial operations of Franklin Parish Communications District and do not present information on the Franklin Parish Police Jury, the general government services provided by the police jury or on other component units that comprise the Franklin Parish reporting entity.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. BASIC FINANCIAL STATEMENTS - GOVERNMENT-WIDE STATEMENTS**

The Communications District's basic financial statements include both government-wide (reporting the Communications District as a whole) and fund financial statements (reporting the Communications District's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the Communications District are classified as governmental.

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Communications District.

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts: invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

**Program Revenues** - Program revenues included in the Statement of Activities are derived directly from parties outside the Communications District's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the Communications District's general revenues.

**Allocation of Indirect Expenses** - The Communications District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**D. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS**

The financial transactions of the Communications District are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Fund financial statements report detailed information about the Communications District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**D. BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS (continued)**

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The Communications District's current operations require the use of only governmental funds. The governmental fund types used by the Communications District are described as follows:

**Government Fund Types**

**General Fund** - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Communications District and is used to account for the operations of the Communications District's office. The various fees and charges due to the Communications District's office are accounted for in this fund. General operating expenditures are paid from this fund.

**E. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurement made regardless of the measurement focus applied.

**1. Accrual:**

Both governmental and business type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental funds financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**2. Modified Accrual (continued)**

Governmental funds and the fiduciary type agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Communications District considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the Communications District is entitled to the funds.

Interest income on time and demand deposits is recorded when the time deposits have matured and the income is available.

Substantially all other revenues are recognized when received by the Communications District.

Based on the above criteria, intergovernmental revenue and fees, charges, and commissions for services are treated as susceptible to accrual.

**Expenditures**

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

**F. ENCUMBRANCES**

Encumbrance accounting is not used in the Communications District's operations.

**G. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits, and time deposits. Under state law, the Communications District must 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.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**H. CAPITAL ASSETS**

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the Communications District, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Depreciation</u>	<u>Estimated Lives</u>
Vehicles	5 Years
Furniture & Fixtures	3-20 Years

**I. RISK MANAGEMENT**

The Communications District is exposed to various risks related to torts, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District obtains its insurance coverage from the Franklin Parish Police Jury. The Franklin Parish Police Jury has joined together with other parish governments to form the Louisiana Rural Parish Insurance Cooperative, a public entity risk pool currently operating as a common risk management and insurance program for Louisiana parish governments. The Franklin Parish Police Jury pays an annual premium to the pool for its general and professional liability insurance coverage.

**J. BAD DEBTS**

Uncollectible accounts receivable are charged directly against earnings when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by generally accepted accounting principles. Management feels all receivables at year end are collectible and no allowance for bad debts is necessary.

**K. ESTIMATES**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**L. BUDGET PRACTICES**

The proposed budget for the fiscal year ended September 30, 2018, was made available for public inspection on September 26, 2017. The proposed budget was prepared on the modified accrual basis of accounting. The budget was legally amended September 27, 2018 by the Communications District.

All expenditure appropriations lapse at year end. Unexpended appropriations and any excess of revenues over expenditures are carried forward to the subsequent year as beginning fund balances.

**M. VACATION AND SICK LEAVE**

Employees earn up to 21 days of noncumulative vacation leave and 10 days of noncumulative sick leave each year. There are no accumulated or vested benefits relating to vacation and sick leave that require accrual or disclosure to conform with generally accepted accounting principles.

**N. EQUITY CLASSIFICATIONS**

In government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**O. FUND EQUITY OF FUND FINANCIAL STATEMENTS**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the Franklin Parish Communications District's office or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Franklin Parish Communications District's highest level of decision making authority.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**O. FUND EQUITY OF FUND FINANCIAL STATEMENTS (continued)**

Assigned – represents balances that are constrained by the government's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Franklin Parish Communications District reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Franklin Parish Communications District reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

**P. PENSION PLANS**

The Franklin Parish Communications District is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 6. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

For the purpose of these financial statements, the Communications District considers cash and cash equivalents to be amounts held in demand deposits, interest bearing demand deposits, and time deposits.

At September 30, 2018 the Communications District has cash and cash equivalents (book balances) totaling \$447,807 as follows:

	Statement of Net Assets
Demand Deposits	447,807
<b>TOTAL</b>	<b>447,807</b>

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 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.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 2 – CASH AND CASH EQUIVALENTS (continued)**

At September 30, 2018, the Communications District has \$458,633 in deposits (collected bank balances). These deposits are secured from risk by \$412,866 of federal deposit insurance and \$80,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Communications District that the fiscal agent has failed to pay deposited funds upon demand.

The Communications District was adequately collateralized at both banks.

**NOTE 3 - RECEIVABLES**

The receivables at September 30, 2018, are as follows:

<u>Class of Receivable</u>	<u>General Fund</u>
Fees, Charges, and Commissions for Services	<u>42,393</u>
<b>TOTAL</b>	<b><u>42,393</u></b>

**NOTE 4 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended September 30, 2018 follows:

	<u>Balance September 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2018</u>
<b><u>Capital Assets</u></b>				
Office Furniture and Equipment	214,203	5,911	-0-	220,114
Vehicles	<u>48,933</u>	<u>-0-</u>	<u>-0-</u>	<u>48,933</u>
	263,136	5,911	-0-	269,047
<b><u>Accumulated Depreciation</u></b>				
Office Furniture and Equipment	214,203	1,084	-0-	215,287
Vehicles	<u>25,778</u>	<u>5,789</u>	<u>-0-</u>	<u>31,567</u>
	<u>239,981</u>	<u>6,873</u>	<u>-0-</u>	<u>246,854</u>
<b><u>Net Capital Assets</u></b>	<b><u>23,155</u></b>	<b><u>(962)</u></b>	<b><u>-0-</u></b>	<b><u>22,193</u></b>

Depreciation expense for the year ended September 30, 201 was \$6,323.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 5 - PENSION PLAN**

All employees of the Franklin Parish Communications District's office are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan 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 Communications District are members of Plan A.

All permanent employees working at least twenty-eight hours per week who are paid wholly or in part from parish 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 before January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of final-average salary for each salary for each year of service credited after the revision date. 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 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 or amended by State statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, P. O. Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary and the Franklin Parish Communications District is required to contribute at an actuarially determined rate. The current rate is 11.5% of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of active members of each plan. The contribution requirements of plan members and the Franklin Parish Communications District are established and may be amended by state statute. As provided by R.S. 11:103, 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 Franklin Parish Communications District's contributions to the System under Plan A for the years ending September 30, 2018, 2017 and 2016 were \$12,302, \$12,710 and \$12,779, respectively, equal to the required contributions for each year.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 5 - PENSION PLAN (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions-** At September 30, 2018, the District reported an asset of \$12,261 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of December 31, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2017, the District's proportion was 0.016519% which was an increase of 0.000054% from its proportion measured as of December 31, 2016.

For the year ended September 30, 2018, the District recognized pension expense of \$15,873 representing its proportionate share of the System's net expense, including amortization of deferred amounts.

At September 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	-0-	(7,937)
Changes of assumptions	15,475	-0-
Net difference between projected and actual earnings on pension plan investments	-0-	(28,327)
Changes in proportion and differences between Employer contributions and proportionate share of contributions	(4,044)	-0-
Employer contributions subsequent to the measurement date	<u>9,030</u>	<u>-0-</u>
Total	<u>20,461</u>	<u>(36,264)</u>

**Pension Plan** – The District reported a total of \$9,030 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2017 which will be recognized as a reduction in net pension liability in the year ended September 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows and resources related to pensions will be recognized in pension expense as follows:

<u>Year</u>	
2018	314
2019	(3,460)
2020	(11,184)
2021	(12,049)
<b>Total</b>	<b><u>(26,379)</u></b>

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 5 - PENSION PLAN (continued)**

**Actuarial Methods and Assumptions-** A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2017, are as follows:

Valuation Date	December 31, 2017
Actuarial Cost Method	Plan A – Entry Age Normal Plan B – Entry Age Normal
Investment Rate of Return	6.75% ( Net of investment expense)
Expected Remaining Service lives	4 years
Projected Salary Increases	Plan A – 5.25% (2.75% Merit/2.50% Inflation) Plan B – 5.25% (2.75% Merit/2.50% Inflation)
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits correctly being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	RP-2000 Employee Mortality Table was selected for active members. RP-2000 Healthy Annuitant Mortality Table was selected for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table was selected for disabled annuitants.
Inflation Rate	2.50%

The discount rate used to measure the total pension liability was 6.75% for Plan A and 6.75% for Plan B. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 5 - PENSION PLAN (continued)**

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.62% for the year ended December 31, 2017.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Fixed income	35%	1.24%
Equity	52%	3.57%
Alternatives	11%	0.69%
Real assets	2%	0.12%
Totals	<u>100%</u>	<u>5.62%</u>
Inflation		<u>2.00%</u>
Expected Arithmetic Nominal Return		<u>7.62%</u>

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2010 through December 31, 2014. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The RP-2000 Healthy Annuity Mortality Sex Distinct Tables (set forward two years for males and set forward one year for females) projected to 2031 using Scale AA was selected for annuitants and beneficiaries. For disabled annuitants, the RP-2000 Disabled Lives Mortality Table set back 5 years for males and 3 years for females was selected. For active employees, the RP-2000 Employee Sex Distinct Tables set back 4 years for males and 3 years for females was used.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 5 - PENSION PLAN (continued)**

**Sensitivity to Changes in Discount Rate-** The following presents the net pension liability of the participating employers calculated using the discount rate of 6.75%, as well as what the employers' net pension liability would be if it were calculated using the discount rate that is one percentage point lower 5.75% or one percentage point higher 7.75% than the current rate.

	PLAN A		
	Changes in Discount Rate 2017		
	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Franklin Parish Communications District Share of NPL	60,452	(12,261)	(77,007)

**NOTE 6 - POSTEMPLOYMENT BENEFITS**

The Franklin Parish Communications District does not provide continuing health care and life insurance benefits for retirees.

**NOTE 7 - ON-BEHALF PAYMENTS**

The Communications District's office is located in the parish courthouse annex. Expenditures for operation and maintenance of the courthouse annex, as required by Louisiana Revised Statute 33:4715, are paid by the Franklin Parish Police Jury.

**NOTE 8 - LITIGATION AND CLAIMS**

At September 30, 2018, the Communications District is involved in no lawsuits.

**NOTE 9 - SCHEDULE OF COMPENSATION PAID BOARD MEMBERS**

The following is a list of board members and the amount of compensation paid to each:

Kevin Cobb	-0-
Adron Henderson	-0-
Sammy Burns	-0-
Bill McLemore	-0-
Miles Kiper	-0-
Eugene Parker	-0-
Tim Washington	-0-

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2018**

**NOTE 10 – RELATED PARTY TRANSACTIONS**

There were no related party transactions that came to our attention.

**NOTE 11 – SUBSEQUENT EVENTS**

The Franklin Parish Communications District's management has evaluated subsequent events through the date the financial statements were available to be issued, January 11, 2019, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**REQUIRED SUPPLEMENTAL INFORMATION  
PART II**

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<u>BUDGETED AMOUNTS</u>			<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
<b><u>REVENUES</u></b>				
911 Fees	242,936	278,481	278,181	(300)
911 Signs	1,500	2,525	2,525	0
Other Income	0	3,297	3,297	0
Interest Income	0	267	1,434	1,167
<b>TOTAL REVENUE</b>	<b>244,436</b>	<b>284,570</b>	<b>285,437</b>	<b>867</b>
<b><u>EXPENDITURES</u></b>				
Personal Services	131,405	130,451	129,324	1,127
Operating Services	81,388	77,869	79,403	(1,534)
Materials & Supplies	3,780	1,158	1,206	(48)
Capital Outlay	6,000	5,911	5,911	0
Travel & Other Charges	750	67	67	0
<b>TOTAL EXPENDITURES</b>	<b>223,323</b>	<b>215,456</b>	<b>215,911</b>	<b>(455)</b>
<b><u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u></b>	<b>21,113</b>	<b>69,114</b>	<b>69,526</b>	<b>412</b>
<b><u>FUND BALANCE AT BEGINNING OF YEAR</u></b>	<b>376,559</b>	<b>376,559</b>	<b>419,944</b>	<b>43,385</b>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b>397,672</b>	<b>445,673</b>	<b>489,470</b>	<b>43,797</b>

See independent accountant's review report

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTE TO BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

A proposed budget is prepared on the modified accrual basis of accounting. The budget is then legally adopted by the Communications District and amended during the year, as necessary. The budget is established and controlled by the Communications District at the object level of expenditure. Appropriations lapse at year end and must be reappropriated for the following year to be expended.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying budgetary comparison schedule include the original adopted budget amounts and all subsequent amendments.

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**SCHEDULE OF DISTRICT'S PROPORTIONATE**  
**SHARE OF THE NET PENSION LIABILITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018 \***

PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM:

Year Ended December 31	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.016049	\$4,388	\$91,500	4.7956%	99.1463%
2015	0.016006	\$42,132	\$95,625	44.0596%	92.2301%
2016	0.016465	\$33,910	\$100,672	33.6836%	94.1488%
2017	0.016519	(\$12,261)	\$103,692	(11.8244%)	101.9768%

\* The amounts presented have a measurement date of the previous fiscal year end.

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**SCHEDULE OF FRANKLIN PARISH COMMUNICATIONS DISTRICT'S**  
**CONTRIBUTIONS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

PAROCHIAL EMPLOYEES' RETIREMENT FUND:

Year ended December 31	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2014	\$13,611	\$13,611	\$0	\$91,500	14.8754%
2015	\$12,779	\$12,779	\$0	\$95,625	13.3636%
2016	\$12,710	\$12,710	\$0	\$100,672	12.6251%
2017	\$12,962	\$12,962	\$0	\$103,692	12.5000%

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**NOTE TO CHANGES TO REQUIRED**  
**SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Changes in Valuation  
Methods and Assumptions

The valuation interest rate changed from  
7.0% to 6.75% for the year ended  
December 31, 2017.

**OTHER SUPPLEMENTAL INFORMATION  
PART III**

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LA**  
**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER**  
**PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE DIRECTOR**  
**SEPTEMBER 30, 2018**

AGENCY HEAD: Debbie Brown

<u>PURPOSE</u>	<u>AMOUNT</u>
Salary	58,947
Benefits - Insurance	11,416
Benefits - Retirement	6,926
Benefits - Other	0
Car Allowance	0
Vehicle Provided by Entity	YES
Per Diem	0
Reimbursements	500
Travel	0
Registration Fees	0
Conference Travel	0
Continuing Professional Education Fees	0
Housing	0
Unvouchered Expenses	0
Special Meals	17
	<u>77,806</u>

See independent accountant's review report

**OTHER INDEPENDENT ACCOUNTANT'S REPORT**

**MARCUS, ROBINSON and HASSELL**

CERTIFIED PUBLIC ACCOUNTANTS

P. O. BOX 487

702 EVADALE DRIVE

TELEPHONE (318) 435-7519

WINNSBORO, LOUISIANA 71295

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

Harvey Marcus, CPA  
John Robinson, CPA  
Doyle Hassell, CPA

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES FOR COMPLIANCE  
WITH LAWS AND REGULATIONS**

To the Board of Commissioners  
Franklin Parish Communications District  
Winnsboro, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Franklin Parish Communications District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Franklin Parish Communications District's compliance with certain laws and regulations during the year ended September 30, 2018, 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.

**Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$30,000 and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

*We reviewed all cash disbursements and did not note any purchases for materials and supplies that exceeded \$30,000.*

**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.

*The Franklin Parish Communications District 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.

*The Franklin Parish Communications District provided us 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 the Franklin Parish Communications District in agreed-upon procedure (3) appeared on the list provided by the Franklin Parish Communications District in agreed-upon procedure (2).

### **Budgeting**

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

The Franklin Parish Communications District provided us with a copy of the adopted original budget and the adopted budget as amended.

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

We traced the adoption of the original budget and amended budget to the minutes of a regular meeting, which indicated that the budget and amended budget had been adopted by the Board members of the Franklin Parish Communications District.

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 exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the amended budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed the budgeted amounts by more than 5%, in the special revenue fund.

### **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 and payee;

We examined supporting documentation for each of the six selected disbursements and found that the 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

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

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the proper authorities.

## Meetings

9. Examine evidence indicating that agenda 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 Franklin Parish Communications District is required to post a notice of each meeting and the accompanying agenda on the door of the District's building. Management has asserted that such documents were posted.

## 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.

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 indebtedness.

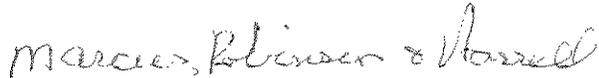
## Advances and Bonuses

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 of the Franklin Parish Communications 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, or the Board 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 Franklin 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.

  
MARCUS, ROBINSON, & HASSELL, CPAs  
January 11, 2019

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**CURRENT YEAR FINDINGS & MANAGEMENT'S CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

During 2018, we noted no findings.

See independent accountant's review report

**FRANKLIN PARISH COMMUNICATIONS DISTRICT**  
**WINNSBORO, LOUISIANA**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2018**

**FINDINGS**

**STATUS**

During 2017, we noted no findings.

See independent accountant's review report

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

JAN 17, 2019 (Date Transmitted)

MARCUS, ROBINSON & HASSELL, CPAs  
PO Box 487  
WINNABORO, LA 71295  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 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 (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the 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 R.S. 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 R.S. 42:1119.

Yes [] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

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 R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [] No [ ]

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [] No [ ]

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [] No [ ]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

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 R.S. 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, R.S. 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 that may occur subsequent to the issuance of your report.

<u>Debbie B. Brown</u>	Secretary	<u>1-10-19</u>	Date
<u>Debbie B. Brown</u>	Treasurer	<u>1-10-19</u>	Date
<u>Bill Me</u>	Vice-President	<u>1-10-19</u>	Date