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**CLAIBORNE PARISH 911
EMERGENCY COMMUNICATIONS DISTRICT
Homer, Louisiana**

**General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
June 30, 2004**

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 1-26-05

CLAIBORNE PARISH 911
EMERGENCY COMMUNICATIONS DISTRICT
Homer, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
June 30, 2004

C O N T E N T S

	<u>Statement</u>	<u>Page No.</u>
Accountant's Compilation Report		2
General Purpose Financial Statements:		
Combined Balance Sheet - All Fund Types and Account Groups	A	4
Governmental Fund Type - General Fund:		
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	B	5
Notes to the Financial Statements		6
Accountant's Report on Applying Agreed-Upon Procedures		13
Louisiana Attestation Questionnaire		18

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Louisiana Certified
Public Accountants

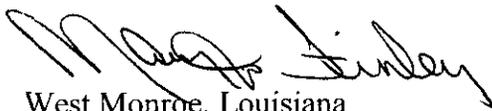
Accountant's Compilation Report

BOARD OF COMMISSIONERS
CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Homer, Louisiana

I have compiled the accompanying general purpose financial statements, as listed in the foregoing table of contents, of the Claiborne Parish 911 Emergency Communications District as of June 30, 2004, and for the year then ended, in accordance with standards established by *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. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance on them.

Management has elected not to comply with GASB 34 requirements.



West Monroe, Louisiana
November 12, 2004

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

CLAIBORNE PARISH 911
EMERGENCY COMMUNICATIONS DISTRICT
Homer, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 2004

	GOVERNMENTAL FUND TYPE - GENERAL FUND	ACCOUNT GROUP GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
ASSETS			
Cash and cash equivalents	\$201,265		\$201,265
Receivables - fees, charges, and commissions for services	11,643		11,643
Office furnishings and equipment		\$179,643	179,643
TOTAL ASSETS	\$212,908	\$179,643	\$392,551
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$4,436		\$4,436
Total liabilities	4,436	NONE	4,436
Fund Equity:			
Investment in general fixed assets		\$179,643	179,643
Fund balance - unreserved - undesignated	208,472		208,472
Total Fund Equity	208,472	179,643	388,115
TOTAL LIABILITIES AND FUND EQUITY	\$212,908	\$179,643	\$392,551

See accompanying notes and Accountant's compilation report.

CLAIBORNE PARISH 911
EMERGENCY COMMUNICATIONS DISTRICT
Homer, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget
(GAAP Basis) and Actual
For the Year Ended June 30, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Fees, charges, and commissions for services	\$77,390	\$80,695	\$3,305
Cellular/Wireless fees	35,390	42,261	6,871
Use of money and property	2,500	1,995	(505)
Total revenues	<u>115,280</u>	<u>124,951</u>	<u>9,671</u>
EXPENDITURES			
Public safety:			
Current:			
Personal services and related benefits	33,500	23,449	10,051
Operating services	74,950	37,516	37,434
Materials and supplies	11,000	1,652	9,348
Travel and other	12,000	2,833	9,167
Capital outlay	38,245	4,391	33,854
Debt service		15,927	(15,927)
Intergovernmental	20,000	12,156	7,844
Total expenditures	<u>189,695</u>	<u>97,924</u>	<u>91,771</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(74,415)	27,027	101,442
FUND BALANCE AT BEGINNING OF YEAR	<u>174,415</u>	<u>181,445</u>	<u>7,030</u>
FUND BALANCE AT END OF YEAR	<u>\$100,000</u>	<u>\$208,472</u>	<u>\$108,472</u>

See accompanying notes and Accountant's compilation report.

CLAIBORNE PARISH 911
EMERGENCY COMMUNICATIONS DISTRICT
Homer, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Claiborne Parish 911 Emergency Communications District was created by the Claiborne Parish Police Jury, as authorized by Louisiana Revised Statute 33:9101, on June 6, 1991, for the purpose of providing a primary three-digit emergency number through which emergency services can be quickly and efficiently obtained. The district is governed by a seven member board appointed by the police jury. Board members serve without benefit of compensation.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Claiborne Parish 911 Emergency 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. REPORTING ENTITY

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

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Claiborne Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Homer, Louisiana
Notes to the Financial Statements (Continued)

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints the district's governing body, the district was determined to be a component unit of the Claiborne Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term debt) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Homer, Louisiana
Notes to the Financial Statements (Continued)

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 district's current operations require the use of only governmental funds (General Fund). The district's primary source of revenue is a 5 per cent service charge on local telephone service within the parish. General operating expenditures are paid from this fund.

D. FIXED ASSETS AND LONG-TERM DEBT

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 General Fund. Fixed assets are valued at actual historical costs. No depreciation has been provided on general fixed assets. The account group is not a fund. There is no long-term debt at June 30, 2004.

E. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. 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 be used to pay liabilities of the current period. The district uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Fees, charges, and commissions for services are recognized in the month received by the telephone companies.

CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Homer, Louisiana
Notes to the Financial Statements (Continued)

Interest income on demand and time deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, fees, charges, and commissions for services have been 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. BUDGET PRACTICES

A preliminary budget for the ensuing year is prepared by the administrator in May. The proposed budget is reviewed by the board of commissioners and made available to the public. The budget is then adopted at the next available meeting. The proposed budget for the General Fund is prepared on the GAAP basis of accounting. The budget is established and controlled by the board of commissioners at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners. The district does not use encumbrance accounting in its accounting system.

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

G. CASH AND CASH EQUIVALENTS

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 June 30, 2004, the district has cash and cash equivalents (book balances) totaling \$201,265, as follows:

Demand deposits	\$101,165
Petty cash	100
Time deposits	<u>100,000</u>
Total	<u>\$201,265</u>

CLAIBORNE PARISH 911 EMERGENCY
 COMMUNICATIONS DISTRICT
 Homer, Louisiana
 Notes to the Financial Statements (Continued)

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. Cash and cash equivalents (bank balances) at June 30, 2004, are secured as follows:

Bank balances	<u>\$201,165</u>
Federal deposit insurance	\$200,000
Pledged securities (uncollateralized)	<u>35,400</u>
Total	<u>\$235,400</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank rather than in the name of the sheriff, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, 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. Further, LRS 39:1224 states that securities held by a third party shall be deemed to be held in the communication district's name.

H. VACATION AND SICK LEAVE

The district has not adopted formal vacation and sick leave policies.

I. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office equipment follows:

CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Homer, Louisiana
Notes to the Financial Statements (Continued)

Adjusted Balance at July 1, 2003	\$177,199
Additions	4,391
Deletions	<u>(1,947)</u>
Balance at June 30, 2004	<u>\$179,643</u>

3. LITIGATION AND CLAIMS

The district is not involved in any litigation at June 30, 2004, nor is it aware of any unasserted claims.

4. OPERATING LEASE

The district entered into a lease agreement for office space on May 28, 1994 which required monthly payments of \$300 beginning June 1, 1994, and ending on September 30, 1995. A new lease was entered into requiring monthly payments of \$325. Lease payments for the year ended June 30, 2004 totaled \$3,900 and are included in operating services expenditures of the General Fund.

5. IMPLEMENTATION OF WIRELESS E911 SERVICES

Louisiana R. S. 33:9109 states, in pertinent part, "In any district having a population of less than twenty thousand persons as of the most recent federal decennial census, proceeds of the service charge, less any collection charge which the wireless service supplier is authorized to retain, may be used for any lawful purpose of the district." U. S. Census Bureau statistics indicate the latest decennial census of the District to be 16,851. Therefore, of the \$42,261 in revenues derived from service charges related to Wireless E911 Services, all of the proceeds have been used in accordance with the general operations of the District.

While the District has not yet implemented Wireless E911 services at this time, management plans to form cooperative endeavor agreements with neighboring districts to combine resources and provide the service within the District.

**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

The following independent Accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide* and the *Louisiana Attestation Questionnaire*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

MARY JO FINLEY, CPA, INC.

A PROFESSIONAL CORPORATION

116 Professional Drive - West Monroe, LA 71291

Phone (318) 329-8880 - Fax (318) 329-8883

**Independent Accountants' Report
On Applying Agreed-Upon Procedures**

BOARD OF COMMISSIONERS
CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Homer, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed upon by the management of the Claiborne Parish 911 Emergency Communications District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Claiborne Parish 911 Emergency Communications District's compliance with certain laws and regulations during the year ended June 30, 2004 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for 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).

A review was made of all disbursement journals for the year. That review disclosed no expenditures made during the period under examination for materials and supplies exceeding \$20,000 or any expenditures made 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.

See Accountants' compilation report.

-13-

CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Independent Accountant's Report on
Applying Agreed Upon Procedures
June 30, 2004

Management 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.

Management provided us with the required list. The district has one employee.

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure 3 above appeared on the list provided by management in agreed-upon procedure 2 above.

Budgeting

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

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

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

I traced the adoption of the original budget to the minutes of a meeting held on June 20, 2003 which indicated that the budget had been adopted by the Board of Commissioners of the Claiborne Parish 911 Emergency Communications District by a vote of all in favor and none opposed. There were no amendments.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by 5% or more.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted amounts by 5% or more, nor did actual expenditures exceed budgeted amounts by 5% or more.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and;

- (a) trace payments to supporting documentation as to correct amount and payee;

CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Independent Accountant's Report on
Applying Agreed Upon Procedures
June 30, 2004

- (b) determine if payments were properly coded to the correct fund and general ledger account;
- (c) determine whether payments received approval from proper authorities.

An examination of six randomly selected disbursements disclosed the following:

- (a) All six selected disbursements were for the proper amount as reflected on supporting documentation and were made to the correct payee.
- (b) All six of the payments were coded to the correct fund and general ledger account.
- (c) Inspection of documentation supporting all six disbursements indicated approval from proper authorities. Further, the types of disbursements made were included in the district's approved budget.

Meetings

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

Notices for upcoming meetings are published in the newspaper and posted outside the district's office. Agendas for the meetings are published or posted as required by LSA-RS 42:7.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I inspected copies of all 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

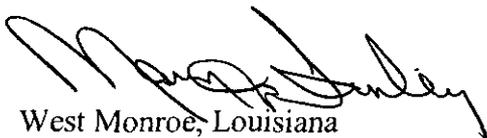
11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

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

CLAIBORNE PARISH 911 EMERGENCY
COMMUNICATIONS DISTRICT
Independent Accountant's Report on
Applying Agreed Upon Procedures
June 30, 2004

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Claiborne Parish 911 Emergency 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. Although the intended use of these reports may be limited, under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.



West Monroe, Louisiana
November 12, 2004

Louisiana Attestation Questionnaire

The accompanying *Louisiana Attestation Questionnaire* has been completed by management and is included in this report as required by the questionnaire.

Mary Jo Finley, CPA, Inc.
116 Professional Drive
West Monroe, LA 71291

In connection with your compilation of our financial statements of the Claiborne Parish 911 Emergency Communications District as of June 30, 2004 and for the year 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 we compliance with the following laws and regulations prior to making these representations.

These representations are based on information available to us as of November 12, 2004.

PUBLIC BID LAW

1. The provisions of the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.

Yes No N/A

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. No employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone which would constitute a violation of LSA-RS 42:1101-1124.

Yes No N/A

3. 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 which would constitute a violation of LSA-RS 42:1119.

Yes No N/A

BUDGETING

4. 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 39:43.

Yes No N/A

ACCOUNTING AND REPORTING

5. 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 N/A

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

Yes No N/A

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

Yes No N/A

MEETINGS

8. We have complied with the provisions of the Opening Meetings Law, LSA-RS 42:1-12.

Yes No N/A

DEBT

9. 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 47:1410.60.

Yes No N/A

ADVANCES AND BONUSES

10. 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 N/A

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 non-compliance which may occur subsequent to the issuance of your report.



November 12, 2004

(DATE)