

Beauregard Parish Communications District
Beauregard Parish Police Jury
State of Louisiana

Annual Financial Statements
With Independent Auditor's Report

December 31, 2013

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners
Beauregard Parish Communications District
Parish of Beauregard
State of Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and the major fund of Beauregard Parish Communications District a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Beauregard Parish Communications District as of December 31, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and budgetary comparison information on page 20 be 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 3, 2014, on my consideration of Beauregard Parish Communications District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Beauregard Parish Communications District's internal control over financial reporting and compliance.



DeRidder, Louisiana
June 3, 2014

BASIC FINANCIAL STATEMENTS

Statement of Net Position
December 31, 2013

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 471,182
Receivables:	
Accounts	73,022
Capital assets, net	585,280
Total assets	\$ 1,129,484
Deferred outflows of resources	
Prepaid insurances	\$ 6,137
Total assets and deferred outflows of resources	\$ 1,135,621
LIABILITIES	
Accounts payable	\$ 3,514
Payroll benefits payable	4,000
Retirement payable	11,377
Salaries payable	1,567
Long term debt:	
Due in more than one year	32,410
Total liabilities	\$ 52,868
NET POSITION	
Net investment in capital assets	\$ 585,280
Unrestricted	497,473
Total net position	\$ 1,082,753
Total liabilities and net position	\$ 1,135,621

The accompanying notes are an integral part of this statement.

Statement of Activities
 For the Year Ended December 31, 2013

	<u>Expenses</u>	<u>Program Revenues</u> Charges for Services	<u>Net (Expenses) Revenues and Changes in Net Position</u> Governmental Activities
Program Activities			
Governmental activities:			
General government	\$ (444,241)	\$ 417,050	\$ (27,191)
General revenues:			
Investment earnings			2,454
Miscellaneous			25
		Total general revenues	<u>2,479</u>
		Change in net position	(24,712)
Net position at beginning of year			<u>1,107,465</u>
Net position at end of year			<u>\$ 1,082,753</u>

The accompanying notes are an integral part of the statement.

Balance Sheet
Governmental Funds
December 31, 2013

		<u>Major Fund</u>
		<u>General Fund</u>
ASSETS		
Cash and cash equivalents	\$	471,182
Receivables:		
Accounts		73,022
Total assets	\$	<u>544,204</u>
Deferred outflows of resources		
Prepaid insurances	\$	6,137
Total assets and deferred outflows of resources	\$	<u>550,341</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$	3,514
Payroll benefits payable		4,000
Retirement payable		11,377
Salaries payable		1,567
Total liabilities	\$	<u>20,458</u>
Fund Balances:		
Nonspendable		
Not in spendable form	\$	6,137
Committed		100,000
Unassigned		423,746
Total fund balance	\$	<u>529,883</u>
Total liabilities and fund balances	\$	<u>550,341</u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet
to Statement of Net Position
December 31, 2013

Total fund balance - total governmental funds		\$	529,883
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.			585,280
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Due within one year	\$	-	
Due in more than one year		(32,410)	(32,410)
Net position of governmental activities		\$	<u>1,082,753</u>

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Year Ended December 31, 2013

	<u>Major Fund</u>
	<u>General Fund</u>
Revenues	
Charges for services:	
Phone collection fees	\$ 402,650
Dispatch cost share	14,400
Investment income	2,454
Miscellaneous	25
Total revenues	<u>\$ 419,529</u>
Expenditures	
Personal services and related benefits	\$ 268,438
Supplies and materials	12,159
Contracted services	109,574
Capital outlay	10,350
Total expenditures	<u>\$ 400,521</u>
Excess (deficiency) of revenues over expenditures	\$ 19,008
Fund balances at beginning of year	<u>510,875</u>
Fund balances at end of year	<u><u>\$ 529,883</u></u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Year Ended December 31, 2013

Net change in fund balances - total governmental funds	\$	19,008
Amounts reported for governmental activities in the statement of activities are different because:		
Compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(4,145)
Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.		10,350
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.		<u>(49,925)</u>
Change in net position of governmental activities	<u>\$</u>	<u>(24,712)</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Beauregard Parish Communications District

Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

INTRODUCTION

The Beauregard Parish Communications District was created by the Beauregard Parish Police Jury, State of Louisiana in accordance with the authority of Title 33, Chapter 31, Section 9101-9106 of the Louisiana Revised Statutes. The district provides an enhanced emergency 911 service as authorized pursuant to the applicable provisions of Title 33, Chapter 31 of the Louisiana Revised Statutes. A board of seven commissioners appointed by the Beauregard Parish Police Jury, State of Louisiana, governs the district and are not compensated for their services. Two employees handle the administrative and clerical duties of the district and six other employees are dispatchers. The accounting policies of the district conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Government Units*.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Beauregard Parish Communications District is considered a component unit of the Beauregard Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, whether blended into those financial statements or separately reported as discrete component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement activities) report information on all of the nonfiduciary activities of the Beauregard Parish Communications District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the funds financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the

Beauregard Parish Communications District

Notes to the Financial Statements (Continued)

government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Beauregard Parish Communications District reports the following major governmental fund:

The General Fund is the district's primary operating fund. It accounts for all financial resources, except for those in another fund.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, and then unrestricted resources, as they are needed.

The district has not established a policy for use of its unrestricted fund balance, therefore it considers committed fund balances to be used first, then assigned fund balances to be used next and finally the unassigned fund balance will be used.

C. Deposits and Investments

The district's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the district's investment policy allow the district to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. The district is exposed to custodial credit risk (bank balances not covered by depository insurance) but has no policy addressing this risk.

D. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental activities columns in the government-wide financial statements. 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. The district maintains a threshold level of \$1,000 or more for capitalizing capital assets.

According to GASB 34 Beauregard Parish Communications District was not required to retroactively report infrastructure assets in its financial statements, therefore, these assets have not been reported in the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements	20-40 years
Buildings	40-50 years
Furniture and fixtures	5-15 years
Vehicles	5-20 years
Machinery and equipment	5-20 years

F. Compensated Absences

The Beauregard Parish Communications District has the following policy relating to vacation and sick leave.

Sick Leave

- A. Eligibility for Sick Leave: Permanent, annual, full-time status employees shall earn sick leave. Temporary, part-time and emergency employees shall not earn sick leave.
- B. Earning Sick Leave: Each employee in the Beauregard Parish Communications District will be allotted four hours of sick leave per pay period worked. This amounts to thirteen days per calendar year, with all employees receiving equal time no matter the length of employment. Sick leave may be accumulated and accrued, not to exceed sixty days. Accumulated time, not to exceed sixty days, will carry forward until retirement. At that time, the retiree will have the option to choose to let sick leave accumulated go toward added time to retirement, or be paid sick leave as a lump sum.
- C. Upon retirement or termination by reduction in force by the Beauregard Parish Communications District, an employee will receive full pay for accumulated sick leave not to exceed the sixty-day limit. No pay will ever be received for sick leave if an employee quits or is terminated by process of termination for reason.

Annual Leave (Vacation Time)

- A. Annual leave may be earned by permanent, salaried, full-time employees of the Beauregard Parish Communications District. Personnel annual leave may be used as deemed necessary for business, vacations, etc. All leave must be approved in advance by the employee’s supervisor before time is taken.
- B. An employee will be allowed to let his/her leave time build up to a maximum of twenty days. This time can be carried over to the new year. Upon termination or retirement, an employee will be paid a lump sum for all annual accrued time accumulated, not to exceed twenty days or one hundred sixty hours.

G. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

H. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

I. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the district, which are either unusual in nature or infrequent in occurrence.

J. Estimates

The preparation of 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 and expenditures during the reporting period. Actual results could differ from those estimates.

K. Fund Balances

Nonspendable	The nonspendable fund balance classification includes amount that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash , for example, inventories and prepaid amounts. As for the Beauregard Parish Communications District the nonspendable fund balance consists of prepaid amounts of insurances.
Committed	Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts. The Beauregard Parish Communications District has committed \$100,000 to be used as an emergency fund if needed.
Unassigned	Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION The district uses the following budget practices:

1. The director prepares a proposed budget and submits same to the Board of Commissioners no later than fifteen days prior to the beginning of each fiscal year.
2. The budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
3. Budgetary amendments involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Commissioners.

Beauregard Parish Communications District

Notes to the Financial Statements (Continued)

4. All budgetary appropriations lapse at the end of each fiscal year
5. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or amended from time to time by the Board of Commissioners. Such amendments were not material in relation to the original appropriations.

3. CASH AND CASH EQUIVALENTS

At December 31, 2013, the district has cash and cash equivalents (book balances) totaling \$471,182 as follows:

Time deposits	\$ 150,799
Interest bearing demand deposits	320,283
Petty cash	100
Total	<u>\$ 471,182</u>

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. 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.

At December 31, 2013, the district has \$478,916 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$228,916 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, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand. Other items concerning cash and cash equivalents are located at Note 1C.

4. RECEIVABLES

The receivables of \$73,022 at December 31, 2013, are as follows:

<u>Class of receivable</u>	<u>General Fund</u>
Accounts	<u>\$ 73,022</u>

Beauregard Parish Communications District

Notes to the Financial Statements (Continued)

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2013, for the district is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets being depreciated				
Buildings	\$ 573,554	\$ -	\$ -	\$ 573,554
Improvements	33,165	-	-	33,165
Machinery and equipment	450,393	-	-	450,393
Furniture and fixtures	32,981	10,350	-	43,331
Vehicles	26,805	-	-	26,805
Total capital assets being depreciated	<u>1,116,898</u>	<u>10,350</u>	<u>-</u>	<u>1,127,248</u>
Less accumulated depreciation for:				
Buildings	111,283	14,445	-	125,728
Improvements	5,131	1,064	-	6,195
Machinery and equipment	345,480	25,766	-	371,246
Furniture and fixtures	18,087	3,289	-	21,376
Vehicles	12,062	5,361	-	17,423
Total accumulated depreciation	<u>492,043</u>	<u>49,925</u>	<u>-</u>	<u>541,968</u>
Total capital assets being depreciated, net	<u>\$ 624,855</u>	<u>\$ (39,575)</u>	<u>\$ -</u>	<u>\$ 585,280</u>

Depreciation expense of \$49,925 for the year ended December 31, 2013, was charged to the following governmental functions:

General government	<u>\$ 49,925</u>
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6. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$20,458 at December 31, 2013, are as follows:

	General Fund
Withholdings	\$ 4,000
Retirement	11,377
Accounts	3,514
Salaries	1,567
Total	<u>\$ 20,458</u>

7. PENSION PLAN

Plan Description. Substantially all employees of the Beauregard Parish Communications District 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 district are members of Plan A.

Beauregard Parish Communications District

Notes to the Financial Statements (Continued)

All permanent employees working at least 28 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% 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 1% of final average salary plus \$24 for each year of supplemental plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established 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, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the district is required to contribute at an actuarially determined rate. The current rate is 16.75% 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. The tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the 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 district's contributions to the System under Plan A for the years ending December 31, 2013, 2012, and 2011 were \$27,422, \$23,668, and \$24,314 respectively, equal to the required contributions for each year.

8. REPORTING REQUIREMENTS FOR WIRELESS E911 SERVICE

In accordance with LRS (R.S.) 33:9101 through 9131 the E911 District reports the following required information:

- Total emergency telephone service charges collected for the year were \$72,194.
- There were no expenditures made for implementation of the wireless E911 system for the year.
- Status of the implementation of the wireless E911 system – Phase I and II has been completed as of December 31, 2013.

9. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2013.

	Compensated Absences
Long-term obligations at beginning of year	\$ 28,265
Additions	4,145
Compensated absences used	-
Long-term obligations at end of year	\$ 32,410

Beauregard Parish Communications District

Notes to the Financial Statements (Concluded)

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of December 31, 2013:

	<u>Compensated Absences</u>
Current portion	\$ -
Long-term portion	<u>32,410</u>
Total	<u>\$ 32,410</u>

REQUIRED SUPPLEMENTAL INFORMATION

General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual
 For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over (under)	Actual Amount GAAP Basis
	Original	Final			
Revenues					
Charges for services:					
E911 service charges	\$ 435,000	\$ 402,660	\$ 402,650	\$ (10)	\$ 402,650
Dispatch cost share	14,400	14,400	14,400	-	14,400
Investment income	1,420	2,450	2,454	4	2,454
Miscellaneous	50	25	25	-	25
	<u>450,870</u>	<u>419,535</u>	<u>419,529</u>	<u>(6)</u>	<u>419,529</u>
Total revenues					
Expenditures					
Personal services and related benefits	\$ 262,100	\$ 268,440	\$ 268,438	\$ 2	\$ 268,438
Supplies and materials	11,950	12,160	12,159	1	12,159
Contracted services	109,350	109,580	109,574	6	109,574
Capital outlay	15,000	10,350	10,350	-	10,350
	<u>398,400</u>	<u>400,530</u>	<u>400,521</u>	<u>9</u>	<u>400,521</u>
Total expenditures					
Excess (deficiency) of revenues over expenditures	\$ 52,470	\$ 19,005	\$ 19,008	\$ 3	\$ 19,008
Fund balances at beginning of year	<u>555,186</u>	<u>555,186</u>	<u>510,875</u>	<u>(44,311)</u>	<u>510,875</u>
Fund balances at end of year	<u><u>607,656</u></u>	<u><u>574,191</u></u>	<u><u>529,883</u></u>	<u><u>(44,308)</u></u>	<u><u>529,883</u></u>

OTHER REPORTS

Schedule of Prior Year Audit Findings
Year ended December 31, 2013

There were no prior year audit findings for the year ended December 31, 2012.

Schedule of Current Year Audit Findings and Management's Response
Year ended December 31, 2013

There were no current year audit findings for the year ended December 31, 2013.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Members of the Board of Commissioners
Beauregard Parish Communications District
Parish of Beauregard
State of Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Beauregard Parish Communications District as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Beauregard Parish Communications District's basic financial statements, and have issued my report thereon dated June 3, 2014.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Beauregard Parish Communications District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Beauregard Parish Communications District's internal control. Accordingly, I do not express an opinion on the effectiveness of Beauregard Parish Communications District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beauregard Parish Communications District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



DeRidder, Louisiana
June 3, 2014