

**RED RIVER PARISH COMMUNICATIONS DISTRICT
COUSHATTA, LOUISIANA**

**FINANCIAL REPORT
DECEMBER 31, 2022**

Red River Parish Communications District
Financial Report
December 31, 2022

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RED RIVER COMMUNICATIONS DISTRICT
PO BOX 407
COUSHATTA, LA 71019

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

As management of the Red River Parish Communications District, Louisiana (the "District"), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the Red River Parish Communications District as of and for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

Financial Highlights

The Red River Parish Communications District experienced an increase in its net position of \$89,532 during the year ended December 31, 2022. At December 31, 2022, the total assets of the District were \$807,874 compared to \$718,580 at December 31, 2021.

The District's total general and program revenues were \$187,775 during the year ended December 31, 2022, compared to \$195,709 during the year ended December 31, 2021. This is a decrease of \$7,934.

The District's governmental funds report total ending fund balance this year of \$696,979. This compares to the prior year ending fund balance of \$584,916, showing an increase of \$112,063 for the current year.

Overview of the Financial Statements

This annual report consists of three parts - management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Red River Parish Communications District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District's governmental operations, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements illustrate how general government services, like public safety, were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

RED RIVER PARISH COMMUNICATIONS DISTRICT
COUSHATTA, LOUISIANA 71019

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Red River Parish Communications District's finances in a manner similar to a private-sector business. The government-wide financial statements include two statements:

- The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

The services provided by the District are financed through a governmental fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District conducts its day-to-day operations through a governmental fund, the General Fund. These statements provide a short-term view of the District's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the District.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The District adopts an annual budget for the general fund. A budgetary comparison statement is provided for the general fund to demonstrate budget compliance.

Other Supplementary Information

The schedule of compensation, benefits, and other payments to agency head is presented to fulfill the requirements of Louisiana Revised Statute 24:513(A)(3). There is also supplementary information to comply with Louisiana Revised Statute 33:9109E.

RED RIVER PARISH COMMUNICATIONS DISTRICT
COUSHATTA, LOUISIANA 71019

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

Summary of Statement of Net Position

	<u>2022</u>	<u>2021</u>
ASSETS:		
Current and other assets	\$696,979	\$585,153
Capital assets, net of accumulated depreciation	<u>110,895</u>	<u>133,427</u>
Total Assets	<u>\$807,874</u>	<u>\$718,580</u>
LIABILITIES:		
Current liabilities	\$ <u>0</u>	\$ <u>263</u>
NET POSITION:		
Net investment in capital assets	\$110,895	\$133,427
Unrestricted	<u>696,979</u>	<u>584,890</u>
Total Net Position	<u>\$807,874</u>	<u>\$718,317</u>

- The District's assets increased \$89,294 from prior year.
- Unrestricted net position of \$696,979 represents the portion available to meet the ongoing obligations to the citizens of Red River Parish.

Summary of Statement of Activities

	<u>2022</u>	<u>2021</u>
REVENUES:		
Telephone Surcharges	\$187,625	\$195,559
Interest & Dividends	<u>150</u>	<u>150</u>
Total revenues	\$187,775	\$195,709
EXPENSES:		
Public safety	<u>98,243</u>	<u>79,364</u>
Change in net position	<u>\$ 89,532</u>	<u>\$116,345</u>

RED RIVER PARISH COMMUNICATIONS DISTRICT
COUSHATTA, LOUISIANA 71019

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

- Total revenues decreased by \$7,934 over the previous year.
- The function of the District is public safety. Total expenses increased \$18,879 from the prior year.

General Fund Budgetary Highlights

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the District complies with state law, as amended and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA - R.S. 39:1301 et seq.). The District amended the original budget primarily to accommodate for increased wireless fees and increased expenses for supplies. Budgeted revenues and other financing sources exceeded actual revenues by \$4,225 (0.2%) and actual expenditures were less than budgeted expenditures by \$56,738 (42%). The District is in compliance with the Louisiana Local Government Budget Act.

Capital Assets

The Red River Parish Communications District's investment in capital assets for its governmental activities as of December 31, 2022 totaled \$314,697 (net of accumulated depreciation of \$203,802).

Economic Factors and Next Year's Budget

The District is dependent on E911 fees from telephone customers and \$10 permit fees to obtain electric service for approximately 99 percent of its revenues. For the fiscal year ending December 31, 2023, the following factors were considered when the budget was prepared:

- The District expects slow growth in revenues.
- The District expects an increase in expenses as the next generation of 911 services is implemented.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Red River Parish Communications District, P. O. Box 407, Coushatta, Louisiana 71019.

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

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INDEPENDENT ACCOUNTANT’S REVIEW REPORT

The Board of Directors
Red River Parish Communications District
Coushatta, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Red River Parish Communications District (the “District”), a component unit of the Red River Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the 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 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 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 the *Statements on Standards Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA and the standards applicable to review engagements contained in Government Auditing Standards, issued by the United States Comptroller General. 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.

We are required to be independent of the Red River Parish Communications District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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.

Other Matter Paragraphs*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 Schedule on pages 1 through 4 and 24, 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Supplementary Information

The accompanying Schedule of Compensation, Benefits, and Other Payments to the Agency Head, Political Subdivision Head, or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Other Reporting Requirements

In accordance with *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued our report dated June 29, 2023, on the results of our agreed-upon procedures on pages 28 through 31. The Louisiana Attestation Questionnaire, prepared by management, is presented on pages 32 through 34.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway, & Todtenbier, CPA's
Natchitoches, Louisiana

June 29, 2023

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Red River Parish Communications District
Statement of Net Position
December 31, 2022

Current Assets:

Cash	\$691,927
Accounts Receivable	<u>5,052</u>
Total Current Assets	\$696,979

Noncurrent Assets:

Capital Assets, Net of Accumulated Depreciation	<u>110,895</u>
Total Assets	<u>\$807,874</u>

Net Position:

Net investment in Capital Assets	\$110,895
Unrestricted	<u>696,979</u>
Total Net Position	<u>\$807,874</u>

See accompanying notes and independent accountant's review report.

Red River Parish Communications District
Statement of Activities
For the Year Ended December 31, 2022

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges</u>	<u>Operating Grants</u>	<u>Revenue and Changes</u>
		<u>for</u>	<u>and</u>	<u>in Net Position</u>
		<u>Services</u>	<u>Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
Public Safety	<u>\$98,243</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ (98,243)</u>
		General Revenues:		
		911 User Fees:		
			Telephone Surcharges	\$187,625
			Interest & Dividends	<u> 150</u>
			Total Revenues	<u>\$187,775</u>
			Change in Net Position	\$ 89,532
			Net Position December 31, 2021	<u>718,342</u>
			Net Position December 31, 2022	<u>\$807,874</u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

Red River Parish Communications District
Balance Sheet - Governmental Fund
December 31, 2022

Assets:

Cash	\$691,927
Revenue Receivable	<u>5,052</u>

Total Assets	<u>\$696,979</u>
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Fund Balance:

Unassigned	<u>\$696,979</u>
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See accompanying notes and independent accountant's review report.

Red River Parish Communications District
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
December 31, 2022

Total Fund Balance for the Governmental Fund at December 31, 2022	\$ 696,979
Total Net Position reported for Governmental Activities in the Statement of Net Position is different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the fund financial statements. Those assets consist of:	
Buildings, Improvements & Equipment	314,697
Less: Accumulated Depreciation	<u>(203,802)</u>
Total Net Position of Governmental Activities at December 31, 2022	<u>\$ 807,874</u>

See accompanying notes and independent accountant's review report.

Red River Parish Communications District
Statement of Revenues, Expenditures and Changes in Fund Balance-
Governmental Fund
For the Year Ended December 31, 2022

REVENUES:

911 User Fees-	
Telephone Surcharges	\$187,625
Interest & Dividends	<u>150</u>
Total Revenues	<u>\$187,775</u>

EXPENDITURES:

Public Safety-	
Current-	
Professional	\$ 33,240
E911 Trunk Lines	3,060
Supplies	1,746
Telephone & Internet	6,318
Technology & Software	2,923
Repairs & Maintenance	14,399
Training/Travel	451
Capital Outlay	<u>13,575</u>
Total Expenditures	<u>\$ 75,712</u>
Excess of Revenues over Expenditures	\$112,063
Fund Balance- Beginning of Period	<u>584,916</u>
Fund Balance-End of Period	<u>\$696,979</u>

See accompanying notes and independent accountant's review report.

Red River Parish Communications District
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2022

Total Net Change in Fund Balance at December 31, 2022, per Statement of Revenues, Expenditures and Changes in Fund Balance	\$112,063
The following used in Governmental Activities are not current financial resources; and, therefore, are not reported in the Governmental Fund Balance Sheet-	
Capital Assets Purchased	3,866
Depreciation Expense	<u>(26,397)</u>
Total Changes in Net Position at December 31, 2022, per Statement of Activities	\$ <u>89,532</u>

See accompanying notes and independent accountant's review report.

NOTES TO FINANCIAL STATEMENTS

Red River Parish Communications District
Notes to Financial Statements
December 31, 2022

Introduction:

The Red River Parish Communications District (District) was created on September 14, 2006, by Ordinance 05-2006 of the Red River Police Jury. The District is charged with forming and operating an emergency response system for Red River Parish to be operated as a “911” system. The District is governed by a board of seven commissioners appointed by the Police Jury.

1. Summary of Significant Accounting Policies:

A. Reporting Entity-

Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by Statement No. 61, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Although the District is a legally separate entity possessing the right to levy taxes, approve its own budget and issue debt, under provisions of this Statement, the District is considered a *component unit* of the Red River Police Jury, the *primary government*, since a level of control is maintained by the Red River Police Jury through appointment of the District’s Board and through fiscal interdependency.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting government. Governmental activities generally are financed through charges for services, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District maintains only one fund. It is categorized as a governmental fund. A fund is considered major if it is the primary operating fund of the entity.

Red River Parish Communications District
Notes to Financial Statements
December 31, 2022

The major fund of the District is described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

C. Measurement Focus/Basis of Accounting-

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

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are 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 District considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

D. Assets, Liabilities, and Equity-

Cash and Cash Equivalents-

For purposes of the Statement of Net Position, cash and cash equivalents includes cash on hand and all demand deposits with banks or financial institutions. Cash and cash equivalents also include all short term, highly liquid investments of the District.

Red River Parish Communications District
Notes to Financial Statements
December 31, 2022

Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are reported at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Buildings & Improvements	10-40 years
Furniture & Equipment	5-10 years

Compensated Absences-

The District does not have any employees; therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

Equity Classifications-

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

- a. Net Investment in capital assets - 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 position - Consists of net resources with constraints placed on their 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 position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expenses.

Red River Parish Communications District
Notes to Financial Statements
December 31, 2022

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$696,979. If applicable, the District would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

E. Budget-

Prior to the beginning of each fiscal year, the District adopts a budget for the next fiscal year. The budget is prepared on the full accrual basis of accounting. The District amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted expenditures by five percent or more. All budgetary appropriations lapse at the end of the fiscal year.

F. 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, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

G. Long-term Liabilities-

The District had no long-term debt as of December 31, 2022.

Red River Parish Communications District
Notes to Financial Statements
December 31, 2022

2. Cash and Cash Equivalents:

The cash and cash equivalents of the District are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits. 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 or exceed 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. 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 District that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

At December 31, 2022, bank balances totaled \$695,620, which was fully secured by \$250,000 FDIC insurance and \$445,620 pledge securities.

3. Capital Assets:

The District's capital asset balances and activity for the year ended December 31, 2022, is as follows:

<u>Activities</u>	<u>Balance</u> <u>12/31/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/22</u>
Capital Assets Depreciated:				
Buildings & Improvements	\$ 47,351	\$ 0	\$0	\$ 47,351
Furniture & Equipment	<u>263,480</u>	<u>3,866</u>	<u>0</u>	<u>267,346</u>
Total Capital Assets	\$ 310,831	\$ 3,866	\$0	\$ 314,697
Less, Accumulated Depreciation:	<u>(177,405)</u>	<u>(26,397)</u>	<u>0</u>	<u>(203,802)</u>
Net Capital Assets	\$ <u>133,426</u>	\$ <u>(22,531)</u>	\$ <u>0</u>	\$ <u>110,895</u>

Depreciation expense of \$26,397 was charged to the public safety function.

4. Compensation Paid to Board Members:

The members of the Board of Commissioners of the District receive no compensation for their services. As of December 31, 2022, the members of the Board were as follows:

John Youngblood- Chairman
Jessie Davis- Vice Chairman
Cindy Coffey- Secretary/Treasurer
Glen Edwards
Shane Felts
Tom Jones

Red River Parish Communications District
Notes to Financial Statements
December 31, 2022

5. Litigation

The District is not involved in any litigation at December 31, 2022.

6. Risk Management

The District is exposed to various risks of loss related to limited torts, theft of or damage to assets, errors and omissions, and natural disasters. To handle some of the risk, the District maintains surety bond coverage. There were no significant changes to insurance coverage during the year ended December 31, 2022.

7. Subsequent Events:

Management evaluated events through June 29, 2023, the date which the financial statements were available to be issued. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

Red River Parish Communications District
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	<u>Budget</u>		<u>Actual</u>	Variance-
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
REVENUES:				
911 User Fees:				
Telephone Surcharges	\$158,000	\$192,000	\$187,625	\$ (4,375)
Interest income	<u>0</u>	<u>0</u>	<u>150</u>	<u>150</u>
Total Revenues	<u>\$158,000</u>	<u>\$192,000</u>	<u>\$187,775</u>	<u>\$ (4,225)</u>
EXPENDITURES:				
Public Safety:				
Current-				
Professional Services	\$ 52,000	\$ 42,000	\$ 33,240	\$ 8,760
E911 Trunk Lines	3,500	3,200	3,060	140
Supplies	300	2,250	1,746	504
Telephone & Internet	9,000	7,000	6,318	682
Technology & Software	5,000	3,000	2,923	77
Repairs & Maintenance	15,000	14,500	14,399	101
Training/Travel	2,500	500	451	49
Capital Expenditures	<u>70,000</u>	<u>60,000</u>	<u>13,575</u>	<u>46,425</u>
Total Expenditures	<u>\$157,300</u>	<u>\$132,450</u>	<u>\$ 75,712</u>	<u>\$56,738</u>
Excess of Revenues over Expenditures	\$ 700	\$ 59,550	\$112,063	\$52,513
Fund Balance-Beginning of Year	<u>584,916</u>	<u>584,916</u>	<u>584,916</u>	<u>0</u>
Fund Balance-End of Year	<u>\$585,616</u>	<u>\$644,466</u>	<u>\$696,979</u>	<u>\$52,513</u>

See independent accountants' review report and notes to financial statements.

Red River Parish Communications District
Notes to Budgetary Comparison Schedule
For the Year Ended December 31, 2022

General Budget Policies

The Communications District is required by state law to adopt an annual budget. The following procedures are followed in establishing the budgetary data reflected in the financial statements.

A proposed budget is prepared by the governing board in November and made available for public inspection no later than 15 days prior to December 31 of each year. In open meeting prior to December 31, the budget is adopted and becomes part of the official minutes of the Communications District. The proposed budget for the General Fund is prepared on the modified accrual basis of accounting.

Once a budget is approved, it can be amended by approval of a majority of the Board. Amendments are presented at a regular open meeting for Board approval. The budget was amended once during the year.

Budget Basis of Accounting

The general fund budget is prepared on the modified accrual basis of accounting. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget, that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses.

The Louisiana Local Government Budget Act provides that “the total proposed expenditures shall not exceed the total of estimated funds available for the ensuing year.” The “total estimated funds available” is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year. Amendments to the adopted budget are required if total revenues fail to meet budgeted revenues by 5% or more, and/or total actual expenditures exceed total budgeted expenditures by 5% or more.

SUPPLEMENTARY INFORMATION

Red River Parish Communications District
Schedule of Compensation, Benefits and Other Payments to the Chairman
December 31, 2022

Chairman: John Youngblood

<u>Type of Payment</u>	<u>Amount</u>
Reimbursements	\$0

See independent accountant's review report.



THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER

Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation

Roger M. Cunningham, CPA, LLC

Jessica H. Broadway, CPA - A Professional Corporation

Ryan E. Todtenbier, CPA - A Professional Corporation

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of
Red River Parish Communications District
Coushatta, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Red River Parish Communications District (the "District") and the Legislative Auditor, State of Louisiana, (the specified parties), on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended December 31, 2022, as required by Louisiana Revised Statute 24:516 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were found to be in violation.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provided us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

The District has no employees.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

The District has no employees.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the outside business interests listed appeared as vendors on the list of disbursements.

BUDGETING

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

Management provided us with a copy of the original budget. There was one amendment to the budget during the year.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced adoption and amendment of the budget to documentation in the minutes of the meeting of the District.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Revenues and expenditures were within 5% variance allowed.

ACCOUNTING AND REPORTING

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

- (b) Report whether the six disbursements were coded to the correct fund and general ledger account.

Each of the six selected disbursements were coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

The District's policies and procedures state that the Board Chairman must approve all disbursements, with subsequent approval by the full Board. Checks are prepared by the Director and require two signatures. Documentation supporting each of the six selected disbursements included the proper approval and dual signatures.

MEETINGS

- 10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the administrative office. Management has asserted that such documents were properly posted.

DEBT

- 11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We scanned copies of all bank deposit slips for the fiscal year, and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

ADVANCES AND BONUSES

- 12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We scanned disbursements and read the meeting minutes of the District's board for the fiscal year. We found no payments or approval for payments that would constitute bonuses, advances, or gifts.

STATE AUDIT LAW

- 13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District's report is due on June 30, 2023, and will be submitted prior to that date.

- 14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management represented that the District was in compliance with R.S. 24:513.

PRIOR-YEAR COMMENTS

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

Our prior year compilation report, dated June 1, 2022, reported no suggestions, exceptions, recommendations, and/or comments.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

Thomas, Cunningham, Broadway, & Todtenbier, CPA's
Natchitoches, Louisiana

June 29, 2023

RED RIVER COMMUNICATIONS DISTRICT
LOUISIANA ATTESTATION QUESTIONNAIRE

Thomas, Cunningham, Broadway & Todtenbier CPA's
321 Bienville Street
Natchitoches, LA 71457

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2022 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.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No [] N/A []

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 [] N/A []

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 [] N/A []

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 [] N/A []

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 [] N/A []

2

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

Yes No N/A

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

Yes No N/A

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No N/A

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 N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No N/A

Meetings

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

Yes No N/A

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 N/A

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 N/A

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No N/A

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No [] N/A []

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes [] No [] N/A []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [] No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

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.

Yes [] No [] N/A []

We are not aware of any material misstatements in the information we have provided to you.

Yes [] No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes [] No [] N/A []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [] No [] N/A []

The previous responses have been made to the best of our belief and knowledge.

Red River IT Consulting, LLC
Daniel Simpson, Consultant

Name/Title

6-27-2023

Date