

SABINE PARISH COMMUNICATIONS DISTRICT
(a component unit of Sabine Parish Police Jury)

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022

Sabine Parish Communications District
Annual Financial Report
June 30, 2022

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SABINE PARISH COMMUNICATIONS DISTRICT (E-911)

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MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

As management of the Sabine 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 Sabine Parish Communications District as of and for the year ended June 30, 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.

The District was determined to be a component unit of the Sabine Parish Police Jury. The accompanying financial statements present information only on the funds maintained by the Sabine Parish Communications District.

Financial Highlights

The Sabine Parish Communications District experienced an increase in its net position of \$76,212 during the year ended June 30, 2022. At June 30, 2022, the total assets of the District exceeded its liabilities by \$1,108,148 compared to \$1,031,937 at June 30, 2021.

The District's total general and program revenues were \$348,005 during the year ended June 30, 2022, compared to \$355,066 during the year ended December 31, 2021. This is a decrease of \$7,061.

The District's governmental funds report total ending fund balance this year of \$1,050,506. This compares to the prior year ending fund balance of \$952,140, showing an increase of \$98,366 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 Sabine 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.

SABINE PARISH COMMUNICATIONS DISTRICT
MANY, LOUISIANA 71449

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Sabine 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.

SABINE PARISH COMMUNICATIONS DISTRICT
MANY, LOUISIANA 71449

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Summary of Statement of Net Position

	<u>2022</u>	<u>2021</u>
ASSETS:		
Current and other assets	\$1,066,394	\$ 970,360
Capital assets, net of accumulated depreciation	<u>57,642</u>	<u>79,796</u>
Total Assets	<u>\$1,124,036</u>	<u>\$1,050,156</u>
LIABILITIES:		
Current liabilities	\$ <u>15,888</u>	\$ <u>18,220</u>
NET POSITION:		
Net investment in capital assets	\$ 57,642	\$ 79,796
Unrestricted	<u>1,050,506</u>	<u>952,140</u>
Total Net Position	<u>\$1,108,148</u>	<u>\$1,031,936</u>

- The District's assets exceeded its liabilities by \$1,108,148 (net position) for the year. This is an increase of \$76,212 from prior year.
- Unrestricted net position of \$1,050,506 represents the portion available to meet the ongoing obligations to the citizens of Sabine Parish.

Summary of Statement of Activities

	<u>2022</u>	<u>2021</u>
REVENUES:		
Program revenues	\$339,707	\$345,101
Grant revenues	0	0
General revenues	<u>8,298</u>	<u>9,965</u>
Total revenues	\$348,005	\$355,066
EXPENSES:		
Public safety	<u>271,793</u>	<u>273,692</u>
Change in net position	\$ <u>76,212</u>	\$ <u>81,374</u>

SABINE PARISH COMMUNICATIONS DISTRICT
MANY, LOUISIANA 71449

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

- Total revenues decreased by \$7,061 over the previous year.
- The function of the District is public safety. Total expenses decreased \$1,899 or 0.7% from the prior year. Of the total costs, depreciation on the equipment and buildings was \$22,154 or 8% of total expenses.

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. Actual revenues and other financing sources exceeded budgeted revenues by \$1,065 (0.3%) and actual expenditures were less than budgeted expenditures by \$6,665 (2.6%). The District is in compliance with the Louisiana Local Government Budget Act.

Capital Assets

The Sabine Parish Communications District's investment in capital assets for its governmental activities as of June 30, 2022 totaled \$57,642 (net of accumulated depreciation of \$157,995).

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 June 30, 2022, 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 Sabine Parish Communications District, P. O. Box 550, Many, Louisiana 71449.

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

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

Mark D. Thomas, CPA - A Professional Corporation
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
Sabine Parish Communications District
Many, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Sabine Parish Communications District (the "District"), a component unit of the Sabine Parish Police Jury, as of and for the year ended June 30, 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 Sabine 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 on pages 1 through 4 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 September 12, 2022, on the results of our agreed-upon procedures on pages 31 through 34. The Louisiana Attestation Questionnaire is presented on pages 35 through 37.

Thomas, Cunningham, Broadway + Todtenbier, CPA's

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

September 12, 2022

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Sabine Parish Communications District
Statement of Net Position
June 30, 2022

	Governmental <u>Activities</u>
ASSETS:	
Current assets-	
Cash and cash equivalents	\$ 975,205
Receivables	71,900
Prepaid expenses	<u>19,289</u>
Total current assets	<u>\$1,066,394</u>
Non-current assets-	
Capital assets (net of depreciation)	\$ <u>57,642</u>
Total assets	<u>\$1,124,036</u>
LIABILITIES:	
Current-	
Accounts payable	\$ 247
Accrued payroll	<u>15,641</u>
Total liabilities	<u>\$ 15,888</u>
NET POSITION:	
Net investment in capital assets	\$ 57,642
Unrestricted	<u>1,050,506</u>
Total net position	<u>\$1,108,148</u>

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

Sabine Parish Communications District
Statement of Activities
June 30, 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>271,793</u>	\$ <u>339,707</u>	\$ <u>0</u>	\$ <u>67,914</u>
		General Revenues:		
				\$ 2,196
				2,000
				<u>4,102</u>
		Total general revenues		\$ <u>8,298</u>
		Change in net position		\$ 76,212
		Net position, beginning of year		<u>1,031,936</u>
		Net position, end of year		<u>\$1,108,148</u>

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

FUND FINANCIAL STATEMENTS

Sabine Parish Communications District
Balance Sheet-Governmental Fund
June 30, 2022

Assets:

Cash and cash equivalents	\$ 975,205
Receivables	71,900
Prepaid expenses	<u>19,289</u>
Total assets	<u>\$1,066,394</u>

Liabilities:

Accounts payable	\$ 247
Accrued payroll	<u>15,641</u>
Total liabilities	<u>\$ 15,888</u>

Fund Balance:

Nonspendable	\$ 19,289
Unassigned	<u>1,031,217</u>
Total fund balance	<u>\$1,050,506</u>

Total liabilities and fund balance	<u>\$1,066,394</u>
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See independent accountants' review report and notes to financial statements.

Sabine Parish Communications District
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
June 30, 2022

Total Governmental Fund Balance at June 30, 2022	\$1,050,506
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not current financial resources and, therefore, are not reported in the this fund financial statement but are reported in the governmental activities of the Statement of Net Position-	
Capital Assets	215,637
Less: Accumulated Depreciation	<u>(157,995)</u>
Total Net Position of Governmental Activities at June 30, 2022	<u>\$1,108,148</u>

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

Sabine Parish Communications District
Statement of Revenues, Expenditures and Changes in Fund Balance-
Governmental Fund
Year Ended June 30, 2022

REVENUES:	
911 user fees:	
Landlines	\$ 42,521
Wireless	225,004
Prepaid wireless	53,152
Permit fees	19,030
Miscellaneous income	4,102
Interest income	<u>2,196</u>
Total revenues	\$ <u>346,005</u>
EXPENDITURES:	
General government-	
Public Safety-	
Personnel and related benefits	\$ 194,831
Equipment service	18,781
Automobile expense	2,225
Utilities: Telephone	2,354
Supplies	19,508
Other costs	11,940
Capital outlay	<u>0</u>
Total expenditures	\$ <u>249,639</u>
Excess of revenues over expenditures	\$ 96,366
Other Revenue Sources-	
Sale of Assets	<u>2,000</u>
Change in Fund Balance	\$ 98,366
Fund Balance, beginning of year	<u>952,140</u>
Fund Balance, end of year	<u>\$1,050,506</u>

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

Sabine 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 June 30, 2022

Net Change in Fund Balance-Governmental Fund	\$ 98,366
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Depreciation expense on capital assets is reported in the Government- wide financial statements, but does not require the use of current financial resources and is not reported in the fund financial statements. Current year depreciation expense is	<u>(22,154)</u>
Total Change in Net Position, per Statement of Activities	<u>\$ 76,212</u>

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

NOTES TO FINANCIAL STATEMENTS

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

Introduction:

The Sabine Parish Communications District (the “District”) was created on June 19, 1991, by an ordinance of the Sabine Parish Police Jury, to provide an Enhanced Emergency 911 Service for Sabine Parish. The District is a political subdivision of the Sabine Parish Police Jury, whose jurors are elected officials. The District’s Board members are appointed by the Sabine Parish Police Jury.

1. Summary of Significant Accounting Policies:

The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting policies of the District conform to the requirements of Louisiana Revised Statutes 24:517 and to the guidance set forth in the *Louisiana Governmental Audit Guide*.

The following is a summary of the District’s significant policies:

A. Reporting Entity-

The accompanying financial statements present the District’s funds and activities. As required by GAAP, these financial statements present the District as a component unit of the Sabine Parish Police Jury. Based on the criteria listed below, the Police Jury is considered a primary government. 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. A primary government is financially accountable for an organization if (a) it appoints a voting majority of the organization’s governing board; (b) it is able to impose its will on the organization; or (c) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government. Based upon these criteria, the District is considered to be a component unit of the Sabine Parish Police Jury and is disclosed as such in the Police Jury’s financial statements. There are no other governmental entities that should be included in these financial statements. The accompanying financial statements consist only of the funds of the Sabine Parish Communications District and do not present information on the Sabine Parish Police Jury.

B. Basis of Presentation-

The District’s Basic Financial Statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Basic Financial Statements consist of Government-wide Financial Statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information. Both the Government-wide and the Fund Financial Statements categorize activities as either governmental activities or business-type activities.

The District uses funds to maintain its financial records during the year. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

1. Summary of Significant Accounting Policies (continued):

C. Fund Accounting-

The financial transactions of the District are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balance accounts that includes its assets, liabilities, fund equity, revenues and expenditures/expenses. 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 uses the following fund categories and fund types:

Governmental Funds:

Governmental funds account for the District's general governmental activities, including the collection and disbursement of specific and legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt.

Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues, and expenditures. Major funds are larger, more significant funds. Nonmajor funds are the governmental funds that do not meet the dollar tests for major funds. The District has only one governmental fund.

General Fund - The General Fund, as provided by Louisiana Revised Statute 47:1906, is the primary operating fund and is used to account for the operations of the District. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the District's policy.

D. 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.

The District's basic financial statements consist of (a) government-wide financial statements, including a statement of net position and a statement of activities, and (b) fund financial statements, which provide a more detailed level of financial information.

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 (regardless of when cash is received or disbursed). Non-exchange transactions are recognized when the District has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

1. Summary of Significant Accounting Policies (continued):

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.

E. Cash and Cash Equivalents-

For purposes of the Statement of Net Position, cash includes amounts in demand accounts and interest-bearing demand deposits. Under state law, the District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. Investments are stated at cost, which approximates market value.

F. Accounts Receivable-

Major receivables for the governmental activities include telephone tariff fees. Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

G. Prepaid Expenses-

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

H. Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities 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 \$2,500 or more for capitalizing capital assets. 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.

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

1. Summary of Significant Accounting Policies (continued):

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. All capital assets are depreciated using the straight-line method over their estimated useful lives, which vary from 3 to 15 years.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

I. 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 is 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 expense.

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;

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

1. Summary of Significant Accounting Policies (continued):

- 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 \$1,031,217. 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. The Board of Directors establishes (and modifies or rescinds) fund balance commitments and assignments by passage of an ordinance or resolution.

J. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires 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.

K. Deferred Outflows of Resources and Deferred Inflows of Resources-

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. There were no deferred inflows or outflows as of June 30, 2022.

L. Budget-

Prior to the beginning of each fiscal year, the District adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

M. Income Taxes-

The District operates as a political subdivision created by the Sabine Parish Police Jury; therefore, it is exempt from income tax and is not required to file an annual information return.

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

1. Summary of Significant Accounting Policies (continued):

N. Impact of Recently Issued Accounting Principles -

In June, 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*, which increased the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows and resources or outflows of resources based on the payment provisions of the contract. The Statement establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after June 15, 2021. The District implemented this Statement in the current year, with no changes to the prior net position as a result of this implementation.

2. Cash and Cash Equivalents:

At June 30, 2022, the District had cash and cash equivalents totaling \$975,205 (book balance), which includes \$643,747 in an interest bearing checking account, \$100 in petty cash, and \$331,358 in certificates of deposit.

The cash and interest-bearing deposits of the District are subject to the following risks:

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 the 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 June 30, 2022, the District has \$996,531 in deposits (collected bank balances). These deposits are secured from risk by \$581,358 of federal deposit insurance, and the remaining \$415,173 is secured with pledged marketable securities by the custodial banks.

3. Receivables:

The following is a summary of receivables at June 30, 2022:

911 User Fees - landlines	\$ 3,648
911 User Fees - wireless	55,832
911 User Fees - prepaid wireless	<u>12,420</u>
Total Receivables	<u>\$71,900</u>

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

4. Capital Assets:

Capital asset balances and activity for the year ended June 30, 2022, is as follows:

Governmental Activities	Balance 6/30/2021	Additions	Deletions	Balance 6/30/2022
Capital assets being depreciated:				
Buildings improvements	\$ 17,571	\$ 0	\$ 0	\$ 17,571
Equipment and furnishings	169,066	0	22,471	146,595
Vehicles	51,471	0	0	51,471
Total capital assets being depreciated:	<u>\$238,108</u>	<u>\$ 0</u>	<u>\$22,471</u>	<u>\$215,637</u>
Less accumulated depreciation:				
Buildings and improvements	\$ 17,571	\$ 0	\$0	\$ 17,571
Equipment and furnishings	108,362	16,354	0	124,716
Vehicles	32,379	5,800	22,471	15,708
Total accumulated depreciation	<u>\$158,312</u>	<u>\$ 22,154</u>	<u>\$22,471</u>	<u>\$157,995</u>
Governmental activities capital assets, net	<u>\$ 79,796</u>	<u>\$(22,154)</u>	<u>\$0</u>	<u>\$ 57,642</u>

Depreciation expense of \$22,154 was charged to Public Safety.

5. 911 User Fees

The District is authorized to levy and collect a fee based on landline telephone tariffs in Sabine Parish to provide funding. The District has entered into agreements with various telephone companies to collect a 5% fee beginning January 1, 1992. The telephone companies charge the District a 1% fee for this collection service.

Louisiana Act 1029 of 1999 authorizes the District to levy an emergency telephone service charge on certain wireless communication systems to pay the costs of implementing FCC ordered enhancements to E911 systems. Beginning July 1, 2002, the District has levied an 85 cents per month fee on wireless customers to future implementation of wireless E911 service. Phase Two implementation of wireless E911 service was complete as of June 30, 2008.

Effective January 1, 2017, the District implemented the provisions of Louisiana Act 665 an Act 590 of 2016, which increased the monthly wireless fee to \$1.25, in part to provide resources to plan and implement the next generation of 911 services (NG911). The District is currently in the process of collecting the needed information so that planning for implementation of NG911 can begin.

6. Permit Fees

Beginning June 1, 1999, the District began to collect a \$10 permit fee for all 911 permits issued.

Sabine Parish Communications District
Notes to Financial Statements
June 30, 2022

7. Personnel Costs

The District's employees are paid by the Sabine Parish Sheriff's Office and the Sheriff is reimbursed by the District for the related payroll costs, including salaries, payroll taxes, retirement, and medical insurance.

8. Facility Costs

The District's office is located in the Sabine Parish Courthouse in Many, Louisiana. Expenditures for operation and maintenance of the parish courthouse, as required by Louisiana law, are paid by the Sabine Parish Police Jury.

9. Compensation Paid to Board Members

The Board of Directors received no compensation or per diem for the year ended June 30, 2022.

10. Pending Litigation

The Sabine Parish Communications District is not involved in any litigation at June 30, 2022.

11. Risk Management

The District is exposed to various risks of loss related to limited torts, theft of or damage to assets, errors and omissions, injuries to employees, 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 June 30, 2022. Settled claims have not exceeded commercial coverages in any of the previous three fiscal years.

12. Commitments and Contingencies:

The District has agreements with AT&T for equipment, software, maintenance, trunk lines, and services needed to provide 911 service. During June 2019, the District upgraded the Public Safety Answering Point equipment and related software for \$55,048. Prepaid expenses of \$19,289 at June 30, 2022 relate to prepaid maintenance of hardware and software for the next four years. AT&T also bills the District for 911 services at the rate of \$835 per month as of June 30, 2022.

13. Subsequent Events:

Management has evaluated events through September 12, 2022, 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.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

Sabine Parish Communications District
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2022

	<u>Budget</u>		<u>Actual</u>	Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
911 User Fees:				
Landlines	\$ 45,000	\$ 42,500	\$ 42,521	\$ 21
Wireless	210,000	224,000	225,004	1,004
Prepaid wireless	61,000	55,000	53,152	(1,848)
Permit fees	18,480	19,300	19,030	(270)
Miscellaneous revenue	6,000	3,840	4,102	262
Interest income	<u>2,660</u>	<u>2,300</u>	<u>2,196</u>	<u>(104)</u>
Total Revenues	<u>\$ 343,140</u>	<u>\$ 346,940</u>	<u>\$ 346,005</u>	<u>\$ (935)</u>
EXPENDITURES:				
General Government-				
Public Safety:				
Personnel costs	\$ 185,000	\$ 193,000	\$ 194,831	\$ (1,831)
Equipment services	30,500	16,800	18,781	(1,981)
Automobile expense	3,600	3,400	2,225	1,175
Utilities: Telephone	2,400	2,400	2,354	46
Collection fees	2,400	2,400	0	2,400
Supplies	12,400	24,000	19,508	4,492
Other costs	19,610	14,305	11,940	2,364
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 250,910</u>	<u>\$ 256,305</u>	<u>\$ 249,639</u>	<u>\$ 6,665</u>
Excess of Revenues over Expenditures	\$ 92,230	\$ 90,635	\$ 96,366	\$ 5,730
Other Revenue Sources:				
Sale of Assets	\$ 0	\$ 0	\$ 2,000	2,000
Change in Fund Balance	\$ 92,230	\$ 90,635	\$ 98,366	\$ 7,730
Fund Balance-Beginning of Year	<u>952,140</u>	<u>952,140</u>	<u>952,140</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,044,370</u>	<u>\$1,042,775</u>	<u>\$1,050,506</u>	<u>\$ 7,730</u>

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

Sabine Parish Communications District
Notes to Budgetary Comparison Schedule
For the Year Ended June 30, 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 May and made available for public inspection no later than 15 days prior to June 30 of each year. In open meeting prior to June 30, 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.

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

Sabine Parish Communications District
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended June 30, 2022

Agency Head Name: P. M. Woods, Chairman of the Board of Directors

No compensation, benefits or other payments were made to the Board Chairman.

See independent accountant's report and notes to the financial statements.

Sabine Parish Communications District
Supplementary Information in Accordance with
Louisiana Revised Statute 33:9109E
For the Year Ended June 30, 2022

In accordance with Louisiana Revised Statute 33:9109E, the Sabine Parish Communications District is authorized to collect emergency telephone service charges on wireless communications systems to pay the cost of implementing FCC-ordered enhancements to E911 systems. Once these enhancements have been made and the system implementation is complete, the proceeds can be used for any lawful purpose of the Communications District. All Phase I and Phase II system implementation requirements are complete. The District is currently in the process of collecting the needed information so that planning for implementation of NG911 can begin.

During the year ended June 30, 2022, the District collected wireless fees totaling \$225,004, as well as \$53,152 from prepaid wireless service providers.

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

OTHER REPORTS

T | C | B | T
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 - A Professional Corporation
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
Sabine Parish Communications District
Many, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the Sabine 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 June 30, 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 \$30,000, 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.

Management provided the requested information. Additional personnel services are provided by contract with Sabine Parish Sheriff's Office.

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

None were identified.

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 payroll disbursements and read the meeting minutes of the District's board for the fiscal year. We found no payments or approval for payments to employees 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 December 31, 2022, 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 report, dated May 10, 2021, contained one internal control finding of *Segregation of Duties*. As of June 30, 2022, the finding for lack of segregation of duties is continuing, due to insufficient number of employees.

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

September 12, 2022

SABINE PARISH COMMUNICATION DISTRICT
Many, Louisiana
LOUISIANA ATTESTATION QUESTIONNAIRE

Thomas, Cunningham, Broadway & Todtenbier
 Certified Public Accountants
 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 June 30, 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

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 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.

SABINE PARISH COMMUNICATION DISTRICT

By: PM Dorris

Title: Chairman

Date: 6/29/22

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

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Sabine Parish Communications District
Post Office Box 550
Many, Louisiana 71449

RE: Management Letter
Review Report – June 30, 2022

We have performed our review of the Sabine Parish Communications District and have applied certain agreed-upon procedures. As part of those procedures, we have the following information to report to you.

Our evaluation of the District's internal control structure revealed an absence of appropriate segregation of duties with respect to all areas of the accounting function and the lack of personnel available to prepare the financial statements and note disclosures.

Sincerely,

Thomas, Cunningham, Broadway & Todtenbier, CPA's

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

**SABINE PARISH
COMMUNICATIONS DISTRICT (E-911)**

SABINE PARISH COURTHOUSE
400 S. Capitol St, 2nd Floor
P.O. BOX 550
MANY, LOUISIANA 71449
Office (318) 256-0009 Fax (318) 256-0957

September 12, 2022

Louisiana Legislative Auditor
1600 North Third Street
Baton Rouge, LA 70804

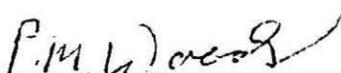
RE: Sabine Parish Communications District
Review Report – June 30, 2022

The following is our response to the management letter issued to us by the firm Thomas, Cunningham, Broadway & Todtenbier, CPA's for the year ended June 30, 2022.

Management's Corrective Action Plan

Management has provided as much segregation as possible with the resources available and will continue to monitor assignment and segregation of duties. In addition, we have evaluated the cost/benefit of establishing a system to prepare our annual financial statements and have determined it is in the best interest of the District to have our independent auditors prepare our annual financial statements and note disclosures. We understand that we should review the financial statements and note disclosures, and accept responsibility for their contents and presentation.

Sincerely,



Board President