

# **Rapides Parish Gas Utility District No. 2**

## **Annual Financial Report**

**For the Year Ended December 31, 2022**



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June 28, 2023

Independent Accountants' Review Report

To the Board Members  
Rapides Parish Gas Utility District No. 2  
Alexandria, Louisiana

We have reviewed the accompanying financial statements of the business-type activities of Rapides Parish Gas Utility District No. 2 (the District), 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 the management of the District. 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**

The management of the Rapides Parish Gas Utility District No. 2 is responsible for the preparation and fair presentation of the 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 Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**ACCOUNTANT'S CONCLUSION**

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

**REQUIRED SUPPLEMENTARY INFORMATION**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information listed in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it.

**OTHER SUPPLEMENTAL INFORMATION**

The supplementary information included in the Schedule of Per Diem Paid to Board Members and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and directly related to, the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made thereto. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on it.

**OTHER MATTERS**

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated June 28, 2023, on the results of our agreed-upon procedures.



ROZIER, MCKAY, and WILLIS  
Certified Public Accountants  
Alexandria, Louisiana

# **Rapides Parish Gas Utility District No. 2**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2022**

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This section of the annual financial report presents our discussion and analysis of the Gas District's financial performance during the fiscal year ended December 31, 2022.

### **OVERVIEW OF FINANCIAL STATEMENTS**

The basic financial statements report information about the Gas District as a whole using accounting methods similar to those used by private-sector companies. These financial statements report all revenues and expenses regardless of when cash is received or paid. Furthermore, the basic financial statements include all of the Gas District's assets and all liabilities (including long-term debt). Revenue earned and expenses incurred in connection with the distribution of natural gas are reported as business-type activities.

### **FINANCIAL ANALYSIS OF THE GAS DISTRICT**

This portion of the management's discussion and analysis provides a comparative financial analysis.

#### **Net Position**

A condensed version of the Gas District's Statement of Net Position is presented as follows:

	<u>December 31,</u>	
	<u>2022</u>	<u>2021</u>
<b><u>Assets:</u></b>		
Current and Other Assets	\$ 564,392	\$ 507,523
Capital Assets	89,955	98,554
Total Assets	<u>654,347</u>	<u>606,077</u>
<b><u>Liabilities:</u></b>		
Current and Other Liabilities	57,088	42,183
Long-term Liabilities	150,851	150,851
Total Liabilities	<u>207,939</u>	<u>193,034</u>
<b><u>Net Position:</u></b>		
Invested in Capital Assets (Net)	(60,896)	----
Unrestricted	507,304	413,043
Total Net Position	<u>\$ 446,408</u>	<u>\$ 413,043</u>

As the presentation appearing above demonstrates, the largest portion of the District's net position is unrestricted and may be used at the Gas District's discretion. The remaining resources are invested in capital assets. Net position invested in capital assets consist of equipment and gas distribution infrastructure less debt used to acquire the assets that remain outstanding. The District uses these capital assets to distribute natural gas; consequently, these amounts are not available for future spending.

#### **Changes in Net Position**

A condensed version of the Statement of Changes in Net Position is presented as follows:

# **Rapides Parish Gas Utility District No. 2**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**December 31, 2022**

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	December 31,	
	2022	2021
Operating (Program) Revenues	\$ 237,005	\$ 168,632
Operating (Program) Expenses	204,140	166,490
Operating Income (Loss)	32,865	2,142
<u>Nonoperating Revenues (Expenses)</u>		
Interest Income	500	478
Total Nonoperating Revenues (Expenses)	500	478
Change in Net Position	33,365	2,620
Net Position Beginning	413,043	410,423
Net Position Ending	\$ 446,408	\$ 413,043

Business-type activities increased the District's net position by \$33,365. This increase is attributable to an increase in sales of natural gas in the current year.

### **FINANCIAL ANALYSIS OF THE GAS DISTRICT'S FUND**

The Gas District uses a single business-type fund for financial reporting. Since all activity is reported in a single fund, an analysis of funds is unnecessary.

### **BUDGET HIGHLIGHTS**

Business-type funds are not required to adopt budgets. Accordingly, no budget presentation is provided.

### **CAPITAL ASSET ADMINISTRATION**

Capital asset activity was limited to recording depreciation on assets purchased in previous years.

### **DEBT ADMINISTRATION**

For the year ended December 31, 2022, there were no new debts and no payments were made toward existing obligations.

### **FACTORS EXPECTED TO EFFECT FUTURE OPERATIONS**

At the present time, no known issues are expected to have a substantial impact on future operations.

# **Rapides Parish Gas Utility District No. 2**

## **Statement of Net Position**

**December 31, 2022**

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	<u>Business-Type Activities</u> <u>Enterprise Fund</u>
<b><u>ASSETS</u></b>	
Current Assets:	
Cash and cash equivalents	\$ 529,325
Receivables (net)	<u>35,067</u>
Total current assets	<u>564,392</u>
Non Current Assets:	
Depreciable capital assets, net	<u>89,955</u>
<b>Total assets</b>	<b><u><u>654,347</u></u></b>
<b><u>LIABILITIES</u></b>	
Accounts and other payables	28,738
Deposits due others	28,350
Long Term Liabilities	
Current portion of long term debt	<u>150,851</u>
<b>Total liabilities</b>	<b><u>207,939</u></b>
<b><u>NET POSITION</u></b>	
Net Investment in Capital Assets	(60,896)
Unrestricted	<u>507,304</u>
<b>Total net position</b>	<b><u>446,408</u></b>
<b>Total Liabilities and Net Position</b>	<b><u><u>\$ 654,347</u></u></b>

The accompanying notes are an integral part of the financial statements.

## **Rapides Parish Gas Utility District No. 2**

### **Statement of Revenues, Expenses and Changes in Fund Net Position**

#### **Proprietary Funds**

**Year Ended December 31, 2022**

	<u>Business-Type Activities</u> <u>Enterprise Fund</u>
<b><u>Operating Revenues:</u></b>	
Sales of Natural Gas	\$ 237,005
<b>Total Operating Revenues</b>	<u>237,005</u>
<b><u>Operating Expenses:</u></b>	
Purchases of Natural Gas	87,550
Salaries	47,457
Payroll taxes and benefits	3,630
Administrative Fees	4,200
Insurance	1,982
Inspection and Other Fees	3,751
Legal and Professional	4,600
Office Supplies and Expense	3,600
Rent	5,070
Repairs and Maintenance	5,425
Supplies	15,512
Telephone and Utilities	10,096
Depreciation	8,600
Other Expenses	<u>2,667</u>
<b>Total Operating Expenses</b>	<u>204,140</u>
<b>Operating Income (Loss)</b>	<u>32,865</u>
<b><u>Nonoperating Revenues (Expenses):</u></b>	
Interest income	<u>500</u>
<b>Change in Net Position</b>	<u>33,365</u>
<b>Total net position - beginning</b>	<u>413,043</u>
<b>Total net position - ending</b>	<u>\$ 446,408</u>

The accompanying notes are an integral part of the financial statements.

## **Rapides Parish Gas Utility District No. 2**

### **Statement of Cash Flows**

#### **Proprietary Funds**

**Year Ended December 31, 2022**

	<u>Business-Type Activities</u> <u>Enterprise Fund</u>
<b><u>Cash flow from operating activities:</u></b>	
Cash received from customers	\$ 226,622
Cash payments to suppliers of goods and services	(133,178)
Cash payments to employees for services	(47,457)
<b>Net cash provided (used) by operating activities</b>	<u>45,987</u>
<b><u>Cash flows from capital and related financing activities:</u></b>	
Acquisition of capital assets	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u>-</u>
<b><u>Cash flows from investing activities:</u></b>	
Interest and other income	500
<b>Net cash provided (used) by investing activities</b>	<u>500</u>
<b>Net increase (decrease) in cash</b>	46,487
<b>Beginning cash balance</b>	482,838
<b>Ending cash balance</b>	529,325
<b>Restricted cash</b>	-
<b>Cash and cash equivalents</b>	<u>\$ 529,325</u>
<b><u>Reconciliation of operating income (loss) to net cash</u></b>	
Operating income (loss)	\$ 32,865
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	8,600
(Increase) decrease in accounts receivable	(10,383)
(Decrease) increase in operating accounts payable	15,890
(Decrease) increase in customer deposits	(985)
<b>Net cash provided (used) by operating activities</b>	<u>\$ 45,987</u>

#### **Supplemental Disclosure of Cash Flow Information:**

During the year ended December 31, 2022, the District had no operating, investing, or financing activities that did not result in cash receipts or payments.

# **Rapides Parish Gas Utility District No. 2**

## **Notes to Financial Statements**

**December 31, 2022**

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

Rapides Parish Gas Utility District No. 2 (the Gas District) was created to provide gas utility service for portions of Rapides Parish. It is governed by a Board consisting of three members appointed by the Rapides Parish Police Jury.

The accompanying policies conform to generally accepted accounting principles for governmental units.

#### **Financial Reporting Entity**

Governmental Accounting Standards Board establishes criteria for determining which component units should be considered part of a financial reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

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

Based on the previous criteria, the Gas District is a component unit of the Rapides Parish Police Jury. The accompanying component unit financial statements present information only on the funds maintained by Rapides Parish Gas Utility District No. 2 and do not present information on the Police Jury, the general government service provided by that governmental unit, or other governmental units that compromise the financial reporting entity.

#### **Basic Financial Statements**

The Gas District uses an enterprise fund for financial reporting purposes. Enterprise funds are proprietary funds used to account for business-like activities. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement in a manner similar to the private sector. Due to these similarities, proprietary funds are allowed to follow certain pronouncements that are developed by the Financial Accounting Standards Board (FASB) for business enterprises. However, the Gas District only applies those FASB pronouncements that were issued on or before November 30, 1989.

# **Rapides Parish Gas Utility District No. 2**

## **Notes to Financial Statements**

**December 31, 2022**

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### **Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

The Gas District's enterprise fund utilizes the accrual basis of accounting and the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets, financial position, and cash flows. All assets and liabilities associated with their activities are reported. Proprietary fund equity is classified as net assets. Revenues are recorded when earned and expenses are recognized when the liability is incurred.

The Gas District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Gas District's principal ongoing operations.

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Capital Assets**

Capital assets include significant acquisitions of equipment that are expected to remain in service for a period of years. Capital assets are reported at historical cost less accumulated depreciation. Depreciation is computed using the straight-line method and estimated useful lives that are based on the expected durability of the particular asset. Useful lives typically range from five to forty years.

### **Cash and Cash Equivalents**

Amounts reported as cash and cash equivalents include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law.

### **NOTE 2-CASH AND CASH EQUIVALENTS**

Deposits are stated at cost, which approximates market value. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year end, the collected bank balance of \$535,168 was secured by \$250,000 in FDIC coverage and securities pledged by financial institutions with a market value of \$365,621.

# **Rapides Parish Gas Utility District No. 2**

## **Notes to Financial Statements**

**December 31, 2022**

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### **NOTE 3 - RECEIVABLES**

At December 31, 2022, receivables were limited to balances due from utility customers for the sale of natural gas. Based on past experience, management expects the receivables to be fully collectible in all material respects.

### **NOTE 4 – CAPITAL ASSETS**

A summary of the Gas District's capital assets is provided as follows:

<b><u>Depreciable Capital Assets</u></b>	<b><u>Beginning Balance</u></b>	<b><u>Additions</u></b>	<b><u>Disposals</u></b>	<b><u>Ending Balance</u></b>
Natural Gas Distribution System	\$ 385,401	\$ ----	\$ ----	\$ 385,401
Portable Buildings	3,210	----	----	3,210
Equipment	50,125	----	----	50,125
Accumulated Depreciation	(340,181)	(8,600)	----	(348,781)
Total Capital Assets	<u>\$ 98,555</u>	<u>\$ (8,600)</u>	<u>\$ ----</u>	<u>\$ 89,955</u>

### **NOTE 5 – RISK MANAGEMENT**

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

The Gas District insures against these risks by participating in a public entity risk pool that operates as a common insurance program and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage.

### **NOTE 6 – LONG-TERM DEBT**

A portion of the Gas District's distribution system is located beneath various road rights of way. Due to the use of road rights of way, the Gas District was forced to relocate a portion of its distribution system in order to accommodate a highway improvement project. Funds necessary to complete the relocation were provided by an advance from the Department of Transportation and Development (DOTD) in the amount of \$172,043.

Under the terms of its arrangement with the DOTD, the Gas District is obligated to repay the advance by remitting five percent of its gross receipts on an annual basis. Furthermore, the annual remittances are required to continue until the balance is paid in full. No interest is charged on the outstanding balance.

Although the Gas District has agreed to make annual payments, the DOTD has limited ability to enforce the obligation. In the event the Gas District fails to make payments, the DOTD's recourse is limited to rejecting any future request to utilize road right of way. At December 31, 2022, a balance of \$150,851 remains outstanding. The portion due presently based on the repayment terms described above is reported as a current liability.

# **Rapides Parish Gas Utility District No. 2**

## ***Schedule of Compensation Paid to Board Members Year Ended December 31, 2022***

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Robert Stevens	\$	-
Glenn Peterson		-
Rickey Roy		-
		<hr/>
Total Compensation	\$	-
		<hr/> <hr/>

# **Rapides Parish Gas Utility District No. 2**

## **Schedule of Compensation, Benefits, and Other Payments to Agency**

### **Head or Chief Executive Officer**

**Year Ended December 31, 2022**

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Agency Head (President) - Robert Stevens

**Purpose**

Salary	\$	-
Benefits		-
Reimbursements		-
Total	\$	-



June 28, 2023

INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES

To the Board Members  
Rapides Parish Gas Utility District No. 2  
Alexandria, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Rapides Parish Gas Utility District No. 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2022, included in the *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**PUBLIC BID LAW:**

1. 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.

*There were no purchases within the scope of the Public Bid Law.*

**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 a questionnaire completed by each active member of the Board. The questionnaires furnished a list of outside business interest and immediate family members.*

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

*Management provided us with payroll reports for all employees paid during this period.*

# **Rapides Parish Gas Utility District No. 2**

**June 28, 2023**

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

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

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 businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.*

## **BUDGETING**

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

*Not Applicable:*

*Since the Gas District's operations are limited to business-type activities, it is not required to adopt a budget.*

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.

*Not Applicable:*

*Since the Gas District's operations are limited to business-type activities, it is not required to adopt a budget.*

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.

*Not Applicable:*

*Since the Gas District's operations are limited to business-type activities, it is not required to adopt a budget.*

## **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.*

*Five of the six selected payments had supporting documentation as to proper amount and payee.*

## **Rapides Parish Gas Utility District No. 2**

**June 28, 2023**

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

*All of the payments were properly 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.

*Five of the six invoices were found to be approved by the proper authorities.*

### **MEETINGS**

10. Obtain evidence from management to support that agenda 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.

*The Gas District is only required to post a notice of each meeting and the accompanying agenda on the door of the meeting facility. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.*

### **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.

*Review of receipts reported in the general ledger and inquiry of management did not reveal any evidence of new 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 examined payroll records and general ledger for the period under examination and found no payments made to employees for 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 was timely filed by June 30, 2023.*

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

## **Rapides Parish Gas Utility District No. 2**

**June 28, 2023**

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public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

*The District was in compliance with the audit law.*

### **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.

*There were no prior year suggestions, exceptions, recommendations or comments that were reported.*

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.



ROZIER, MCKAY, and WILLIS  
Certified Public Accountants  
Alexandria, Louisiana

**Rapides Parish Gas Utility District No. 2**

**Managements Corrective Action Plan**

**For the Year Ended December 31, 2022**

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<b>SECTION I - Review Report</b>	
There are no matters to report.	Response – N/A
<b>SECTION II - Attestation Report</b>	
There are no matters to report.	Response – N/A
<b>SECTION III - Management Letter</b>	
No management letter was in the prior year.	Response – N/A

**Rapides Parish Gas Utility District No. 2**

**Schedule of Prior Year Findings**

**For the Year Ended December 31, 2022**

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<b>SECTION I - Review Report</b>	
There are no matters to report.	Response – N/A
<b>SECTION II - Attestation Report</b>	
There are no matters to report.	Response – N/A
<b>SECTION III - Management Letter</b>	
No management letter was in the prior year.	Response – N/A

LOUISIANA ATTESTATION QUESTIONNAIRE  
FOR THE YEAR ENDED DECEMBER 31, 2022

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

Rozier McKay & Willis  
1407 Peterman Drive  
Alexandria, LA 71301

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

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 [ X ]

### **Meetings**

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

Yes [ X ] 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 [ X ] 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 [ X ] No [ ] N/A [ ]

### **Prior-Year Comments**

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

Yes [ ] No [ ] N/A [ X ]

### **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 [ X ] 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 [ X ] No [ ] N/A [ ]

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

Yes [ X ] No [ ] N/A [ ]

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

Yes [ X ] 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 [ X ] No [ ] N/A [ ]

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

Yes [ X ] 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.

 \_\_\_\_\_ President 6/29/23 \_\_\_\_\_ Date