

Webster Parish Communications District
Annual Financial Statements
As of December 31, 2019 and for the Year Then Ended

Webster Parish Communications District
 Annual Financial Statements
 As of and for the Year Ended December 31, 2019
 With Supplemental Information Schedules

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Webster Parish Communications District
Management Discussion and Analysis
December 31, 2019

The management of the Webster Parish Communications District (District) offers readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2019. This management discussion and analysis ("MD&A") is designed to provide an objective analysis of the District's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of District finances. It is also intended to provide readers with an analysis of the District's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the District. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

The District has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34. This reporting model changes the presentation of financial data, and also the manner in which the information is recorded. We encourage readers to consider the information presented here in conjunction with additional information presented throughout this report.

Overview of the Financial Statements

This section is intended to serve as an introduction to the District's financial statements. The District's basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information, which is in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed by GASB Statement No. 34 to change the way in which governmental financial statements are presented. It now provides readers with a concise "entity-wide" Statement of Net Position and Statement of Activities, which seek to give the user of the financial statements a broad overview of the District's financial position and results of operations in a manner similar to private sector businesses.

The statement of net position presents information on all of the District's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. The difference between the two is 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 weakening.

The statement of activities presents information which shows how the government's net position changed during this fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes).

Webster Parish Communications District
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Each of these reports is broken down between governmental activities and business-type activities. Governmental activities normally are those activities that are supported by taxes, licenses, permits, fines, and intergovernmental revenues; for example, the police department. Business-type activities are functions that are intended to support their costs through charges for services or fees; such as the Water and Sewer Departments.

Government-wide Financial Analysis

As noted earlier, net position may, over time, serve as a useful indicator of a government’s financial position. At the close of the most recent fiscal year, the District’s assets exceeded its liabilities by \$708,956 (net position); this represents a decrease of \$82,569 from the last fiscal year. Of this total net asset amount, \$507,331 is unrestricted net position. The District’s net position are comprised solely from governmental activities.

The following is a condensed statement of the District’s net position as of December 31, 2019:

	Governmental- Type Activities
Assets	
Current & Other Assets	\$531,663
Capital Assets (net)	201,625
Total Assets	\$733,288
Liabilities	
Other Liabilities	\$24,332
Long-term Liabilities	
Total Liabilities	24,332
Net Position	
Invested in capital assets, net	201,625
Unrestricted	507,331
Total Net Position	\$708,956

By far the largest portion of the District’s net position \$201,625 reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.) less any related debt used to acquire those assets still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District’s capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of \$507,331 is unrestricted net position, which may be used to meet the government’s on-going obligations to citizens and creditors.

The District has total outstanding debt of \$24,332. Total liabilities of \$24,332 are equal to 3% of the total net position.

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The following is a summary of the statement of activities:

	Governmental-Type Activities
Revenue	
Program Revenue	\$587,977
General Revenue & Transfers	13,044
Total Revenue	601,021
Expenses	
Public Safety	648,901
Depreciation	34,689
Total Expenses	683,590
Increase (Decrease) in Net Position	(82,569)
Net Position, Beginning	791,525
Prior period adjustment	0
Net Position, Ending	\$708,956

Governmental Activities

The governmental activities of the District include Public Safety. In that, revenues normally associated with municipal operations, (e.g. property tax, franchise fees, license fees, fines, and operating grants) are sufficient for the funding of these activities.

Fund Financial Statements - Governmental Funds

The fund financial statements provide more detailed information about the District’s most significant funds - not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for a particular purpose.

The District currently maintains one individual governmental fund type. This fund type includes the General Fund. Information is presented separately in the Governmental Funds Balance Sheet (Statement C) and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Statements E) for the General Fund which is considered to be a major fund.

The District adopts an annual budget for the General Fund. A statement of revenues, expenditures, and changes in fund balance for the General Fund is presented in the Required Supplemental Information (Schedule 1), which compares actual revenues and expenditures to the original budget and amended budget figures.

Webster Parish Communications District
Management Discussion and Analysis
December 31, 2019

Financial Analysis of the District's Governmental Fund

The District's governmental fund (General Fund) reported an ending fund balance of \$511,672, which is a decrease of \$82,465. This decrease is caused by an increase in revenue from the previous year, while expenditures also increased due to the District now paying its own payroll.

General Fund Budgetary Highlights

The District did amend its original General Fund budget during the year.

Budgeted revenues did not exceed actual revenues by more than 5%. Actual expenditures did not exceed budgeted expenditures by more than 5%.

Capital Asset and Debt Administration

The total investment in net capital assets as of December 31, 2019 is \$201,625.

There were \$42,925 capital assets purchased in fiscal 2019.

Current Financial Factors

The District is not currently working on any projects.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director, 303 Green St, Minden, LA 71058.

WADE & PERRY
Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Independent Auditor's Report

Webster Parish Communications District
Minden, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Webster Parish Communications District ("District"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1 through 4 and 24 through 25 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation paid elected officials and schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation paid elected officials and schedule of compensation, benefits, and other payments to agency head are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of compensation paid elected officials and schedule of compensation, benefits, and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 30, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and

compliance and the results of the testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Wade S Perry
Ruston, Louisiana
June 30, 2020

Webster Parish Communications District
Statement of Net Position
December 31, 2019

ASSETS		
Cash and equivalents		\$238,619
Investments		162,183
Receivables		101,113
Prepaid items		29,748
Capital assets (net)		<u>201,625</u>
TOTAL ASSETS		<u><u>\$733,288</u></u>
LIABILITIES		
Accounts, salaries, and other payables		\$1,993
Accrued payroll liabilities		<u>22,339</u>
TOTAL LIABILITIES		<u>24,332</u>
NET POSITION		
Prior Period Adjustment		0
Net investment in capital assets		201,625
Unrestricted		<u>507,331</u>
TOTAL NET POSITION		<u><u>\$708,956</u></u>

The accompanying notes are an integral part of this statement.

Webster Parish Communications District
Statement of Activities
Year Ended December 31, 2019

	Program Revenues			Net (Expenses) Revenues and Changes of Primary Government
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental-type activities				
E911	\$648,901	\$586,477	\$1,500	(\$60,924)
Depreciation	34,689			(34,689)
Total governmental-type activities	<u>683,590</u>	<u>586,477</u>	<u>1,500</u>	<u>0</u>
Total primary government	<u>\$683,590</u>	<u>\$586,477</u>	<u>\$1,500</u>	<u>\$0</u>
General revenues:				
Investment earnings				5,804
Other general revenues				9,392
Gain (loss) on disposal of assets				<u>(2,152)</u>
Total general revenues and transfers				<u>13,044</u>
Change in Net Position				(82,569)
Net Position - beginning				791,525
Prior Period Adjustment				<u>0</u>
Net Position - ending				<u>\$708,956</u>

The accompanying notes are an integral part of this statement.

Webster Parish Communications District
 Balance Sheet, General Fund
 December 31, 2019

ASSETS		
Cash and cash equivalents		\$238,619
Investments		162,183
Receivables		101,113
Prepaid assets		<u>29,748</u>
TOTAL ASSETS		<u>\$531,663</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts, salaries, and other payables		\$1,993
Accrued payroll liabilities		<u>17,998</u>
Total liabilities		<u>19,991</u>
Fund balances:		
Restricted		0
Unassigned		<u>511,672</u>
TOTAL LIABILITIES AND FUND BALANCES		<u>\$531,663</u>

The accompanying notes are an integral part of this statement.

Webster Parish Communications District
 Reconciliation of The Governmental Funds Balance Sheet
 to The Government-Wide Financial Statement of Net Position
 December 31, 2019

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Fund balances, Total governmental funds (Statement C)		\$511,672
Receivables which are not available to pay for current period expenditures and therefore are unavailable in the funds		0
Some liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds:		
Compensated absences		(4,342)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Governmental capital assets	594,600	
Less accumulated depreciation	<u>(392,975)</u>	<u>201,625</u>
Total Net Position of Governmental Activities (Statement A)		<u><u>\$708,956</u></u>

The accompanying notes are an integral part of this statement.

Webster Parish Communications District
Statement of Revenues, Expenditures, and
Changes in Fund Balances - General Fund
For the Year Ended December 31, 2019

REVENUES	
Fees and surcharges	\$490,702
State prepaid fees	97,621
Grant	1,500
Miscellaneous revenues	9,392
Use of money and property	<u>5,804</u>
Total Revenues	605,019
EXPENDITURES	
Public safety:	
Personnel services	400,085
Operating services	242,432
Travel & meetings	2,042
Capital outlay	<u>42,925</u>
Total Expenditures	<u>687,484</u>
Excess (Deficiency) of Revenues over Expenditures	(82,465)
OTHER FINANCING SOURCES (USES)	
Operating transfers in	0
Operating transfers out	0
Sale of Asset	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>
Net Change in Fund Balances	(82,465)
Fund Balances – beginning	594,137
Prior period adjustment	<u>0</u>
Fund Balances – ending	<u><u>\$511,672</u></u>

The accompanying notes are an integral part of this statement.

Webster Parish Communications District
 Reconciliation of The Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended December 31, 2019

Amounts reported for governmental activities in the Statement of Activities are different because:	
Net Change in Fund Balances, Total governmental funds (Statement E)	(\$82,465)
Revenues that are not available to pay current obligations are not reported in the fund financial statements, but they are presented as revenues in the Statement of Activities	(1,846)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported in the governmental funds	(4,342)
Governmental funds are not required to report gain or loss on disposal of assets. This is the amount of gain (loss) on capital asset disposals during the year.	2,152
Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$42,925) exceeded depreciation (\$34,689) in the current period.	8,236
Change in Net Position of Governmental Activities, (Statement B)	<u><u>(\$78,265)</u></u>

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

Webster Parish Communications District
Notes to the Financial Statements
As of and For the Year Ended December 31, 2019

INTRODUCTION

The Webster Parish Communications District (“District”) was organized in 1990 to establish and provide E-911 emergency services to the residents of Webster parish. The District has seven commissioners comprising the board who are appointed by the Webster Parish Police Jury, including 3 “civilians”, 1 from the police sector, 1 from fire sector, and 1 from emergency medicine (hospital/ambulance). The District serves approximately 40,000 residents.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In June, 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the District’s overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the District’s activities, including infrastructure (if any).
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of Net Position and the statement of changes in Net Position) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Webster Parish Communications District
Notes to the Financial Statements
As of and For the Year Ended December 31, 2019

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the following governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources, except those required to be accounted for in another fund. 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Webster Parish Communications District
Notes to the Financial Statements
As of and For the Year Ended December 31, 2019

C. Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the District to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities. Investments for the District are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

D. Restricted Assets

Certain proceeds of the District's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants.

E. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of the asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Straight line depreciation is used based on the same estimated useful lives listed below for the Webster Parish Police Jury.

<u>Description</u>	<u>Estimated Lives</u>
Buildings	20-40 years
Furniture and equipment	5-10 years
Vehicles	5 years

F. Compensated Absences

All full-time employees of the district earn 4 days (48 hours) of vacation leave after one full year of service, and seven days (84 hours) of vacation leave after three years of service. Full-time employees earn 1 day (8 hours) of sick leave for each month of continuous employment but have a maximum limit of forty-five days of sick leave. Employees may not carry forward accrued vacation time but may carry forward sick leave. Part-time employees are not eligible for vacation or sick leave. Upon separation of employment, employees are paid for accrued vacation leave but not paid for sick leave.

G. Fund Equity

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 and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

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As of and For the Year Ended December 31, 2019

- b. Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use, either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

H. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from the estimates.

2. CASH AND CASH EQUIVALENTS

At December 31, 2019, the District has cash and cash equivalents (book balances) totaling \$238,619 as follows:

Demand deposits	\$25,314
Interest-bearing demand deposits	103,505
Time deposits	<u>109,800</u>
Total	<u>\$238,619</u>

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

At December 31, 2019, the District has \$238,773 in deposits (collected bank balances). These deposits are secured from risk by \$238,773 of federal deposit insurance and \$0 of pledged securities held by the custodial bank in the name of the fiscal agent bank. (GASB Category 3).

3. INVESTMENTS

Investments held at the District consist of \$162,183 (current assets) in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Cod Sec. 150.126, the investment in LAMP at the District is not categorized in the three risk categories provided by GASB Cod Sec. 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-

Webster Parish Communications District
Notes to the Financial Statements
As of and For the Year Ended December 31, 2019

term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

4. RECEIVABLES

The receivables of \$101,113 at December 31, 2019, are as follows:

Fees and surcharges	\$122,489
State prepaid fees	<u>21,376</u>
Total	<u><u>\$143,865</u></u>

5. CAPITAL ASSETS

The following presents the changes in capital assets for the year ended December 31, 2019:

Balance, January 1, 2019	\$571,304
Additions	42,925
Deletions	<u>(19,629)</u>
Balance, December 31, 2019	594,600
Less accumulated depreciation	<u>(392,975)</u>
Net capital assets	<u><u>\$201,625</u></u>

Webster Parish Communications District
Notes to the Financial Statements
As of and For the Year Ended December 31, 2019

6. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$1,993 at December 31, 2019, are as follows:

Accounts	\$1,710
Credit card liability	<u>283</u>
Total	<u><u>\$1,993</u></u>

7. LEASES

In February, 2015, the District entered into a 48-month lease for a copier. The lease requires 48 monthly payments of \$277 each beginning in March, 2015. In January, 2018, the District entered into a 12-month lease for the building located at 303 Green Street. The lease requires 12 monthly payments of \$1,750 each beginning in January, 2018, with renewal options for additional periods of one (1) year after said initial term. Rental expenses were \$21,334 for the year ended December 31, 2019.

8. LITIGATION AND CLAIMS

The District is not involved in any litigation at December 31, 2019, nor is it aware of any unasserted claims.

9. DATE OF MANAGEMENT REVIEW

Subsequent events have been evaluated through June 30, 2020, the date which the financial statements were available to be issued. As a result of COVID-19 coronavirus, economic uncertainties have arisen which are likely to have a negative impact on operations and cause business disruption. However, the related financial impact and duration cannot be reasonably estimated at this time. The District is closely monitoring its financial statements for 2020 impacts.

OTHER SUPPLEMENTAL SCHEDULES

Webster Parish Communications District
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended December 31, 2019

Schedule 1

Agency Head Name: Dal Taylor, retired; Stephanie King, current

Purpose	<u>D Taylor</u>	<u>S King</u>
Salary	\$19,740	\$16,473
Benefits-insurance	8,476	529
Benefits-retirement	1,884	
Travel - hotel		124
Travel - meals		57
	<u>\$30,100</u>	<u>\$17,183</u>

REQUIRED SUPPLEMENTAL INFORMATION

Webster Parish Communications District
 Schedule of Revenues, Expenditures, and Changes
 in Fund Balances - Budget and Actual (Cash basis)
 For the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts Cash Basis</u>	<u>Favorable (Unfavorable) Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Program revenues:				
Fees and surcharges	\$476,000	\$494,200	\$486,749	(\$7,451)
State prepaid fees	110,000	102,000	101,758	(242)
Miscellaneous revenues	100	100	6,656	6,556
Use of money & property	4,050	4,775	5,804	1,029
Total Revenues	<u>590,150</u>	<u>601,075</u>	<u>600,967</u>	<u>(108)</u>
EXPENDITURES				
Public safety:				
Personnel services	317,400	365,625	367,974	(2,349)
Operating services	240,300	209,661	229,972	(20,311)
Travel and other charges	2,550	1,854	2,042	(188)
Capital outlay		52,050	42,925	9,125
Contract Services	29,900	48,600	48,178	422
Total Expenditures	<u>590,150</u>	<u>677,790</u>	<u>691,091</u>	<u>(13,301)</u>
Excess (Deficiency) of Revenues over (under) Expenditures	0	(76,715)	(90,124)	(13,409)
Fund Balance (Deficit) at Beginning of Year	<u>498,561</u>	<u>498,561</u>	<u>485,098</u>	<u>(13,463)</u>
Fund Balance (Deficit) at End of Year	<u><u>\$498,561</u></u>	<u><u>\$421,846</u></u>	<u><u>\$394,974</u></u>	<u><u>(\$26,872)</u></u>

Notes to the Schedule

(1) method of budgetary accounting - non-GAAP

Webster Parish Communications District
Notes to the Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual (Non-GAAP)
For the Year Ended December 31, 2019

NOTE A - BUDGETARY POLICIES

The proposed budget for the General Fund, prepared on the cash basis of accounting, is published in the official journal at least ten days prior to the public hearing and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. A public hearing is held at the District's office for comments from taxpayers. The budget is then legally adopted by the District and amended during the year, as necessary. The budget is established and controlled by the District at the object level of expenditure. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended. All changes in the budget must be approved by the District.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the budget comparison accompanying the financial statements include the original adopted budget amount and all subsequent amendments. Encumbrance accounting is not used by the District.

NOTE B – EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

Source/inflows of resources

Actual amounts (budgetary basis) "Total Revenues" from Schedule 1.	\$600,967
 <u>Differences - budget to GAAP:</u>	
The District budgets for property tax revenue only to the extent expected to be received, rather than on the modified accrual basis.	<u>4,052</u>
 Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	 <u><u>\$605,019</u></u>

Uses/outflows of resources

Actual amounts (budgetary basis) "Total Expenditures" from the Schedule 1.	\$691,091
 <u>Differences - budget to GAAP:</u>	
The District budgets for operating expenditures only to the extent expected to be paid, rather than on the modified accrual basis.	<u>(3,607)</u>
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	 <u><u>\$687,484</u></u>

OTHER REPORTS

WADE & PERRY
Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

Report on Compliance and Other Matters and on Internal Control
over Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of Commissioners
Webster Parish Communications District
Arcadia, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities of Webster Parish Communications District ("District") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 30, 2020.

Internal Control Over Financial Reporting

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

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

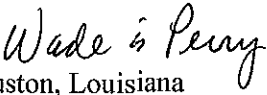
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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


Ruston, Louisiana
June 30, 2020

Webster Parish Communications District
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019

A. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the general purpose financial statements of the Webster Parish Communications District.
2. No instances of noncompliance material to the financial statements of the Webster Parish Communications District were disclosed during the audit.
3. No significant deficiency relating to the audit of the financial statements is reported in the Independent Auditor's Report on Internal Control.

B. Financial Statements Findings

None

Webster Parish Communications District
Summary of Prior Year Findings
For the Year Ended December 31, 2019

A. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

None

B. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

None

C. MANAGEMENT LETTER

None

WADE & PERRY

Certified Public Accountants
A Professional Accounting Corporation
Members: AICPA/ Society of LCPA's

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Webster Parish Communications District and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by Webster Parish Communications District (Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):¹
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g.

¹ For governmental organization, the practitioner may eliminate those categories and subcategories that do not apply to the organization's operations. For quasi-public organizations, including non-profits, the practitioner may eliminate those categories and subcategories that do not apply to public funds administered by the quasi-public.

periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics²**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and address the functions noted above.

Board or Finance Committee³

No prior year exceptions.

Bank Reconciliations

No prior year exceptions.

² The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the non-profit should have written policies and procedures relating to ethics.

³ These procedures are not applicable to entities managed by a single elected official, such as sheriff or assessor.

Collections (excluding EFTs)⁴

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained a listing of deposit sites and the corresponding collection locations and management's representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

Obtain a listing of collection locations and management's representation that the listing is complete.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

No exceptions.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

No exceptions.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

The same employee who is responsible for collecting cash is also responsible for posting collection entries to the general ledger.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

No exceptions.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

Employees who have access to cash are not covered by a bond or insurance policy for theft.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection*

⁴ The Collections category is not required to be tested if the entity has a third party contractor performing all collection functions (i.e., receiving collections, preparing deposits, and making deposits).

log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
No exceptions.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
No exceptions.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
No exceptions.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
No exceptions.
- e) Trace the actual deposit per the bank statement to the general ledger.
No exceptions

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Obtained a listing of locations that process payments and management's representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Obtained a listing of all employees involved with non-payroll purchasing and payments functions and observed that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

One of 3 employees involved has the ability to initiate a purchase request, approve a purchase, and place an order/making the purchase.

- b) At least two employees are involved in processing payments are also involved in approving payments to vendors.

No exceptions.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

The employee responsible for processing payments is also responsible for adding/modifying vendor files.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

Obtained the entity's non-payroll disbursement transaction population and obtained management's representation that the population is complete

- a) Observe that the disbursement matched the related original invoice/billing statement.

No exceptions.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

No prior year exceptions.

Travel and Travel-Related Expense Reimbursements⁵ (excluding card transactions)

- 14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Obtained a listing of all travel and related reimbursements, management's representation the listing is complete, selected 5 reimbursements, and observed that:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

⁵ Non-travel reimbursements are not required to be tested under this category.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Not applicable due to no reimbursements.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Obtained a statement from management that there were not any agreements/contracts as described above that were initiated or renewed during the fiscal year.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law⁶ (e.g., solicited quotes or bids, advertised), if required by law.

Not applicable.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

Not applicable.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

Not applicable.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Not applicable.

⁶ If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."

Payroll and Personnel

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained a listing of people employed during the fiscal year, management's representation that the listing is complete, selected 5 employees and agreed the pay rates to the authorized pay rates in their personnel files.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

No exceptions

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions

18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

Obtained a listing from management that there were not any employees that received termination payments during the fiscal period.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*Ethics*⁷

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above⁸, obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Observed that four of the 5 employees completed one hour of ethics training.

- b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity’s ethics policy during the fiscal period.

No exceptions.

*Debt Service*⁹

No prior year exceptions.

Other

No prior year exceptions

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 those C/C areas identified in the SAUPs. 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.

⁷ The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non-profit, the procedures should be performed.

⁸ If “payroll and personnel” have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for payroll and personnel.

⁹ This AUP category is generally not applicable to non-profit entities; however, if applicable, the procedures should be performed.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, 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 LLA as a public document.

Wade & Perry

Ruston, LA

June 30, 2020

WEBSTER PARISH COMMUNICATIONS DISTRICT

303 Green Street

Minden, LA

June 30, 2020

Wade & Perry, CPAs
Ruston, LA

The following is Management's Response to the 2019 AUP report submitted for Webster Parish Communications District.

COLLECTIONS

5. c) Management will work toward implementing checks and balances.
6. Management will work toward getting this coverage added.

DISBURSEMENTS

9. a) Management will work toward implementing checks and balances.
- c) Management will work toward implementing checks and balances.

ETHICS

20. Management will work toward maintaining all employees' ethics records.

Billy Dorsey, Chairman