

**NATCHITOCHE PARISH  
COMMUNICATIONS DISTRICT  
d/b/a Natchitoches E911  
Natchitoches, Louisiana**

**FINANCIAL REPORT  
For the year ended December 31, 2019**

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**  
**d/b/a Natchitoches E911**  
**Natchitoches, Louisiana**

**Table of Contents**

As of and for the Year Ended December 31, 2019

	Statement/ Schedule	Page
Independent Auditor's Report		2-3
<u>Required Supplemental Information (Part I):</u>		
Management's Discussion and Analysis		5-8
<u>Basic Financial Statements:</u>		
Governmental Fund Balance Sheet / Statement of Net Position with the Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide Statement of Net Position	A	10
Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance / Statement of Activities with the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	B	11
<u>Notes to the Financial Statements:</u>		
Notes to the Financial Statements		13-19
<u>Required Supplemental Information (Part II):</u>		
Budgetary Comparison Schedule – General Fund	1	21
Note to Budgetary Comparison Schedule		22
<u>Other Supplemental Information:</u>		
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	2	24
Supplementary Information in Accordance with Louisiana Revised Statute 33:9109E	3	25
<u>Other Reports Required by <i>Government Auditing Standards</i></u>		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		27-28
Schedule of Findings and Responses		30
Schedule of Prior Year Findings		31
<u>Other Report</u>		
Independent Accountant's Report on Applying Agreed-Upon Procedures		33-34



## Dees Gardner, Certified Public Accountants, LLC

Deborah D. Dees, CPA/CFF

Maura Dees Gardner, CPA, CFE

Phone 318-872-3007

122 Jefferson Street

Mansfield, Louisiana

Fax 318-872-1357

### INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners of the  
Natchitoches Parish Communications District  
Natchitoches, Louisiana

We have audited the accompanying financial statements of the governmental activities and the general fund of the Natchitoches Parish Communications District, a component unit of the Natchitoches Parish Government, 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require 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.

#### ***Opinions***

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

## **Other Matters**

### *Required Supplementary Information Part I*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, listed as required supplementary information (Part I) in the table of contents, 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 our 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.

### *Required Supplemental Information Part II and Other Supplemental Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Natchitoches Parish Communications District's basic financial statements. The required Supplementary Information Part II' as listed in the table of contents and the accompanying financial information, listed as "Other Supplemental Information" in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The "Required Supplementary Information Part II" and the accompanying "Other Supplemental Information" are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 24, 2020, on our consideration of the Natchitoches Parish Communications 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 that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the Natchitoches Parish Communications District's internal control over financial reporting and compliance.

In accordance with the requirements of the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, we have issued a report dated July 24, 2020, on the results of those procedures.

*Dees Gardner, Certified Public Accountants, LLC*

Mansfield, Louisiana  
July 24, 2020

REQUIRED SUPPLEMENTAL INFORMATION (PART I)

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**  
**d/b/a Natchitoches E911**  
**Natchitoches, Louisiana**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2019

As management of the Natchitoches Parish Communications District, Louisiana, we offer the readers of the Communications District's financial statements this narrative overview and analysis of the financial activities of the Natchitoches Parish Communications District as of and for the year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the Communications District's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

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

### **Financial Highlights**

The Natchitoches Parish Communications District experienced an decrease in its net position of \$10,369 (00.20%) during the year ended December 31, 2019, compared to an increase of \$1,373,370 (36.16%) for year ended December 31, 2018. At December 31, 2019, the assets of the Communications District exceeded its liabilities by \$5,160,726 compared to \$5,171,095 at December 31, 2018.

Communication fees charged decreased \$12,079 to \$592,978 at December 31, 2019, from an \$3,440 decrease to \$605,057 in December 31, 2018. The Communications District did receive state grant monies of \$1,151,758 during the year ended December 31, 2018.

The Communications District's total expenses for public safety were \$604,588 during the year ended December 31, 2019, compared to \$384,496 during year ended December 31, 2018. This is an increase of \$220,092 or 57.24% for the current year compared to a \$31,057 or 7.5% decrease for year ended December 31, 2018.

The Communications District's governmental funds report total ending fund balance this year of \$1,288,704. This compares to the prior year ending fund balance of \$1,210,874, showing an increase of \$77,830 for the current year.

### **Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Natchitoches Parish Communications District's basic financial statements. The Communications District's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements include two kinds of financial statements that present different views of the Communications District—the **Government-wide Financial Statements** and the **Governmental Fund Financial Statements**. These financial statements also include the **Notes to the Financial Statements** that explain some of the information in the financial statements and provide additional detail. This report also contains additional required supplementary information—a budgetary schedule—in addition to the basic financial statements. These components are described below:

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

The *statement of net position* presents information on all of the Natchitoches Parish Communications District's assets and liabilities, with the difference between the two reported as *net position*. Over time,

increases or decreases in net position may serve as a useful indicator of whether the financial position of the Natchitoches Parish Communications District is improving or deteriorating.

The *statement of activities* presents information showing how the Natchitoches Parish Communications District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**Governmental Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Natchitoches Parish Communications District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Natchitoches Parish Communications District has one governmental fund.

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

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

**Other Supplemental Information.** The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfil the requirements of Louisiana Revised Statute 24:513(A)(3). There is also supplementary information to comply with Louisiana Revised Statute 33:9109E.

## **Government-wide Financial Analysis**

### Net Position

The comparison of net position from year to year serves to measure a government's financial position. As of December 31, 2019, the Communications District's assets exceed its liabilities by \$5,160,726 (net position).

Approximately 75% of the Communications District's net position reflects its investment in capital assets (communications equipment, digital mapping system, furniture and fixtures, a vehicle and the Natchitoches Communication Center); less any related debt used to acquire those assets that is still outstanding. The Communications District has no debt related to capital assets. These capital assets are not available for future spending. At December 31, 2019, \$3,885,432 of the Communications District's net position reflects capital assets with a historical cost of \$4,525,332 less accumulated depreciation of \$639,900.

Unrestricted net position of \$1,275,294 or 25% of total net position as of December 31, 2019, may be used to meet the ongoing obligations to the citizens of Natchitoches Parish Communications District.

Total liabilities for the Communications District decreased by \$186,165 from 2018, due to a decrease in construction costs payable at year end. The following table provides a summary of the Communications District's net position:

<b>ASSETS</b>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Cash and cash equivalents	\$ 1,192,784	\$ 1,290,841
Accounts receivable	105,585	312,192
Prepaid insurance	6,686	5,679
Utility deposit	200	200
Capital assets, net of accumulated depreciation	<u>3,885,432</u>	<u>3,778,309</u>
<b>TOTAL ASSETS</b>	<b>5,190,687</b>	<b>5,387,221</b>
<b>LIABILITIES</b>		
Accounts and other payables	<u>29,961</u>	<u>216,126</u>
<b>TOTAL LIABILITIES</b>	<b>29,961</b>	<b>216,126</b>
<b>NET POSITION</b>		
Net investment in capital assets	3,885,432	3,778,309
Unrestricted	<u>1,275,294</u>	<u>1,392,786</u>
<b>TOTAL NET POSITION</b>	<b>\$ <u><u>5,160,726</u></u></b>	<b>\$ <u><u>5,171,095</u></u></b>

Changes in net position

Comparative data for government-wide information is presented as it is accumulated and is presented to assist analysis in future years. The following schedule compares revenues and expenses for the current and previous years.

Note that program revenues, which consist of telephone tariff charges, covered 99.79% of the Communications District's operating expenses for the year ended December 31, 2019.

The function of the Communications District is public safety. Total expenses increased \$220,092 to \$604,588 for year ended December 31, 2019, compared to a \$384,496 in total expenses from the prior year. The increase reflects the extra costs incurred for moving into a new facility. Of the total costs, depreciation on the equipment and buildings was \$140,598 or 23.26% of total expenses for year ended December 31, 2019, compared to \$35,853 or 9.3% for year ended December 31, 2018. A Summary of Statement of Activities is as follows:

	<u>For year end December 31, 2019</u>	<u>For year end December 31, 2018</u>
<b>Revenue</b>		
Program revenues:		
Charges for services	\$ 592,978	\$ 605,057
Capital grants and contributions	-	1,151,758
General revenues		
Interest	<u>1,241</u>	<u>1,051</u>
Total revenues	<u>594,219</u>	<u>1,757,866</u>
<b>Expenses</b>		
Public Safety	<u>604,588</u>	<u>384,496</u>
Total expenses	<u>604,588</u>	<u>384,496</u>
Increase (decrease) in net position	(10,369)	1,373,370
Net position, beginning of year	5,171,095	3,797,725
Net position, end of year	<b>\$ <u><u>5,160,726</u></u></b>	<b>\$ <u><u>5,171,095</u></u></b>



As noted earlier, the Natchitoches Parish Communications District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

### **General Fund Budgetary Highlights**

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Communications District complies with state law, as amended and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA – R.S. 39:1301 et seq.). The Communications District amended the original budget primarily to decrease the anticipated state capital outlay funds and the costs of constructing of the Natchitoches Communications Center. Actual adjusted revenues were more than budgeted amounts by \$6,639 (1.13%). Actual expenditures were less than budgeted amounts by \$50,977 (6.68%).

### **Capital Asset and Debt Administration**

Capital assets. The Natchitoches Parish Communications District's investment in capital assets for its governmental activities as of December 31, 2019, totaled \$3,885,432 (net of accumulated depreciation of \$639,900). During the current year the District purchased 8 dispatch workstations, 8 computers, a voice recorder, camera, and landscaping and irrigation system for the new NATCOM facility.

Long-term debt. The Natchitoches Parish Communications District has no debt outstanding.

### **Economic Factors and Next Year's Budget**

For the fiscal year ending December 31, 2020, the following factors were considered when the budget was prepared:

- Program revenues of charges for services will remain consistent with the prior year.
- Other expenditures are expected to remain steady with the prior year.

Due to the COVID-19 pandemic, the United States has experienced volatile economic conditions and disruption of general business activities. It is unknown how this will affect the Communication District's operations in the coming year to the date of this report.

### **Requests for Information**

This financial report is designed to provide a general overview of the Natchitoches Parish Communications District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Willis Carter, Director, P. O. Box 1411, Natchitoches, Louisiana 71458.

## BASIC FINANCIAL STATEMENTS

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**  
**d/b/a Natchitoches E911**  
**Natchitoches, Louisiana**

**GOVERNMENTAL FUND BALANCE SHEET / STATEMENT OF NET POSITION**

December 31, 2019

	Governmental Fund Financial Statements		Government-wide Statements
	<b>Balance Sheet</b>		
	General Fund	Adjustments	<b>Statement of Net Position</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,192,784	\$ -	\$ 1,192,784
Accounts receivables	105,585	-	105,585
Prepaid insurance	6,686	-	6,686
Utility deposits	200	-	200
Capital assets (net)	-	3,885,432	3,885,432
<b>TOTAL ASSETS</b>	<b>\$ 1,305,255</b>	<b>3,885,432</b>	<b>5,190,687</b>
<b>LIABILITIES</b>			
Accounts, salaries and other payables	\$ 16,551	-	16,551
Construction contract payable	-	13,410	13,410
<b>TOTAL LIABILITIES</b>	<b>16,551</b>	<b>13,410</b>	<b>29,961</b>
<b>FUND BALANCE / NET POSITION</b>			
Fund Balance:			
Nonspendable:			
Prepaid expense	6,686	(6,686)	-
Restricted	-	-	-
Unassigned	1,282,018	(1,282,018)	-
<b>TOTAL FUND BALANCE</b>	<b>1,288,704</b>	<b>(1,288,704)</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 1,305,255</b>	<b>-</b>	<b>-</b>
Net Position:			
Net investment in capital assets		3,885,432	3,885,432
Unrestricted		(1,275,294)	1,275,294
<b>TOTAL NET POSITION</b>		<b>\$ -</b>	<b>\$ 5,160,726</b>

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO  
THE GOVERNMENT- WIDE STATEMENT OF NET POSITION**

<b>Total Fund Balance, Governmental Fund</b>	\$ 1,288,704
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in fund financial statements, but are reported in the governmental activities of the Statement of Net Position	
Cost of capital assets	4,525,332
Less accumulated depreciation	<u>(639,900)</u>
	3,885,432
Grant revenues will be collected but are not available soon enough to pay for the current year expenditure and, therefore, the underlying revenues are not currently recognized in the governmental funds	-
Contract payable not due and payable in the current period and not included in the fund financials but are included in the governmental activities of the Statement of Net Position	<u>(13,410)</u>
<b>Net Position of Governmental Activities in the Statement of Net Position</b>	<b>\$ 5,160,726</b>

See accompanying notes and independent auditor's report.

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**  
**d/b/a Natchitoches E911**  
**Natchitoches, Louisiana**

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /**  
**STATEMENT OF ACTIVITIES**

For the year ended December 31, 2019

	Governmental Fund Financial Statements		Government-wide Statements
	STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE		
	General Fund	Adjustments	Statement of Activities
<b>EXPENDITURES / EXPENSES</b>			
Public Safety:			
Personal services	\$ 56,350	\$ -	\$ 56,350
Operating services	254,429	-	254,429
Operating supplies	25,205	-	25,205
Professional services	128,006	-	128,006
Depreciation	-	140,598	140,598
Capital Outlay	263,813	(263,813)	-
<b>TOTAL EXPENDITURES / EXPENSES</b>	<b>727,803</b>	<b>(123,215)</b>	<b>604,588</b>
<b>PROGRAM REVENUES</b>			
Charges for services	592,978	-	592,978
Operating grants and contributions	-	-	-
Capital grants and contributions	211,414	(211,414)	-
<b>TOTAL PROGRAM REVENUES</b>	<b>804,392</b>	<b>(211,414)</b>	<b>592,978</b>
<b>NET PROGRAM EXPENSE</b>	<b>76,589</b>	<b>334,629</b>	<b>(11,610)</b>
<b>GENERAL REVENUES</b>			
Interest earnings	1,241	-	1,241
<b>TOTAL GENERAL REVENUES</b>	<b>1,241</b>	<b>-</b>	<b>1,241</b>
<b>Excess of Revenues over Expenditures / Change in Net Position</b>	<b>77,830</b>	<b>334,629</b>	<b>(10,369)</b>
<b>FUND BALANCE / NET POSITION</b>			
Beginning of the year	1,210,874		5,171,095
End of the year	\$ 1,288,704		\$ 5,160,726

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balance, Governmental Fund	\$ 77,830
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of (\$140,598) is less than the capital outlays (\$263,813) in the current period.	123,215
Grant revenue reported in the Statement of Activities on the accrual basis but do not provide current financial resources are reported as revenues in governmental funds when received.	(211,414)
Change in Net Position of Governmental Activities	\$ (10,369)

See accompanying notes and independent auditor's report.

## NOTES TO THE FINANCIAL STATEMENTS

# NATCHITOCHEES PARISH COMMUNICATIONS DISTRICT

Natchitoches, Louisiana

## NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

---

### INTRODUCTION

Natchitoches Parish Communications District (hereinafter referred to as "Communications District") was created on July 20, 1988, by Ordinance Number 112 of the Natchitoches Parish Police Jury. The Communications District is responsible for maintaining and operating the parish-wide Emergency 911 system and equipment, and providing emergency dispatch services to approximately 39,200 residents in Natchitoches Parish. The Communications District is governed by a nine-member board appointed in accordance to Louisiana Revised Statute 33:9103. Board members serve without compensation. The Communications District is staffed by a contract administrator and an office manager employed by the Natchitoches Parish Police Jury. The Communications District provides dispatch services via inter-governmental agreements with the City of Natchitoches Police Department and the Natchitoches Parish Sheriff's office.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Natchitoches Parish Communications District have been prepared in conformity with governmental accounting principles generally accepted (GAAP) in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments*, issued in June 1999. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*. The more significant accounting policies established in GAAP and used by the Natchitoches Parish Communications District are discussed below.

#### A. REPORTING ENTITY

The Natchitoches Parish Communications District is a special-purpose government governed by a nine-member board appointed by the Natchitoches Parish Government Board. The accompanying financial statements present the Communications District's funds and activities. As required by GAAP, these financial statements present the Communications District as a component unit of the Parish Government. Based on the criteria listed below, the Parish Government is considered a primary government.

A primary government is financially accountable for an organization if (a) it appoints a voting majority of the organization's governing board and is able to impose its will on the organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government; or (b) total outstanding debt, including leases, is expected to be repaid entirely or almost entirely with resources from the primary government. Based upon these criteria, the Communications District is considered to be a component unit of the Parish Government and is disclosed as such in the Parish Government's financial statements.

#### B. BASIS OF PRESENTATION

The Natchitoches Parish Communications District's basic financial statements consists of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

#### **Government-Wide Financial Statements**

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

# NATCHITOCHEs PARISH COMMUNICATIONS DISTRICT

Natchitoches, Louisiana

## NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

#### Fund Financial Statements

The accounts of the Communications District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations. The major governmental fund of the Communications District is described below:

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

#### C. MEASUREMENT FOCUS/ 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.

#### Measurement Focus

The Statement of Net Position and the Statement of Activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their statement of revenues, expenditures, and changes in fund balance reports sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. This approach is then reconciled, through adjustment, to a government-wide view of the operations.

#### Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

# NATCHITOCHE PARISH COMMUNICATIONS DISTRICT

Natchitoches, Louisiana

## NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. The governmental funds use the following practices in recording revenues and expenditures:

*Revenues.* Telephone tariff fees and interest income are recognized in the period in which they are earned. State Capital Outlay Funds are also recognized in the period in which they are earned.

*Expenditures.* Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased. Substantially all other expenditures are recognized when the related fund liability is incurred.

#### D. ASSETS, LIABILITIES AND EQUITY

##### **Cash, Cash Equivalents, and Investments**

Cash includes amounts in interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Communications District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or under the laws of the United States. The Communications District may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks and organized under Louisiana law and national banks having principal offices in Louisiana.

Investments are limited by Louisiana Revised Statute R.S. 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost which approximates market.

##### **Prepaid Expenses**

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

##### **Accounts Receivable**

Substantially all of the receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

##### **Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the governmental activities in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Communications District maintains a threshold level of \$1,500 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.



# NATCHITOCHE PARISH COMMUNICATIONS DISTRICT

Natchitoches, Louisiana

## NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 years
Equipment, furniture & fixtures	5-10 years
Vehicles	5 years

### Equity Classifications

#### Net Position

The Communications District classifies net position in the government-wide financial statements, as follows:

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Communications District's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Communications District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

#### Fund Balances

In accordance with GASB 54, the Communications District classifies fund balances in governmental funds as follows:

- Nonspendable- Amounts that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
- Restricted- Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government).
- Committed- Amounts constrained by the Communications District itself. To be reported as committed, amounts cannot be used for any other purpose unless the Communications District takes the action to remove or change the constraint.
- Assigned- Amounts the Communications District intends to use for a specific purpose.
- Unassigned- All amounts not included in other spendable.

# NATCHITOCHEES PARISH COMMUNICATIONS DISTRICT

Natchitoches, Louisiana

## NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Equity Classifications (continued)

The details of the fund balances are included in the Governmental Funds Balance Sheet. The Communications District would typically use restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

The General Fund has unassigned fund balance of \$1,282,018 at December 31, 2019. Prepaid items of \$6,686 are considered Nonspendable Fund Balance.

#### E. 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.

### 2. CASH

At December 31, 2019, the Communications District has cash and cash equivalents totaling \$1,192,784 (book balance), in interest-bearing demand deposit accounts.

The cash of the Natchitoches Parish Communications District is subject to the following risks:

*Custodial Credit Risk:* Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement of the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Communications District that the fiscal agent has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Communications District's name.

At December 31, 2019, the Communications District has \$1,203,821 in deposits (collected bank balances). These deposits were protected by \$250,000 of federal depository insurance and pledged securities with a market value of \$1,851,471 held by the custodial banks in the name of the Communications District. Therefore, the Communications District was in compliance with Louisiana Revised Statute 39:1224.

*Interest Rate Risk:* This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment has, the greater the sensitivity of its fair value to changes in market interest rates. The Communications District does have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

## NATCHITOCHE PARISH COMMUNICATIONS DISTRICT

Natchitoches, Louisiana

### NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

### 3. ACCOUNTS RECEIVABLE

Receivables at December 31, 2019 consist of telephone tariff charges of \$105,585.

### 4. CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2019, are as follows:

Governmental Activities	12/31/2018	Additions	Deletions/ Reclassifications	12/31/2019
<b>Capital assets not being depreciated:</b>				
Construction in Progress	\$ 3,638,752	\$ -	\$ (3,638,752)	\$ -
Land	65,015	-	-	65,015
Total assets not being depreciated	3,703,767	-	(3,638,752)	65,015
<b>Capital assets being depreciated:</b>				
Buildings and improvements	103,506	29,261	-	132,767
NATCOM Facility	-	-	3,638,752	3,638,752
Equipment, Furniture & Fixtures	360,269	216,199	-	576,468
Software/Digital Mapping/Addressing	84,799	2,261	-	87,060
Vehicles	25,270	-	-	25,270
Total assets being depreciated	573,844	247,721	3,638,752	4,460,317
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	\$ 72,461	\$ 3,400	\$ -	\$ 75,861
NATCOM Facility	-	90,969	-	90,969
Equipment, Furniture & Fixtures	333,266	39,295	-	372,561
Digital Mapping/Address Assets	68,305	6,934	-	75,239
Vehicles	25,270	-	-	25,270
Total	499,302	140,598	-	639,900
Capital Assets, Net	\$ 3,778,309	\$ 107,123	\$ -	\$ 3,885,432

Depreciation expense of \$140,598 was charged to the public safety function.

### 5. RISK MANAGEMENT

The Communications District is exposed to various risks of loss related to limited torts, theft of or damage to and destruction of assets and errors and omissions. To handle some of the risk, the Communications District maintains surety bond coverage. No settled claims from these risks have exceeded insurance coverage in the last three years. There were no significant changes to insurance coverage during the year ended December 31, 2019.

### 6. COMMITMENTS AND CONTINGENCIES

The District entered into a construction contract during the year to build the Natchitoches Parish Communication Building. As of December 31, 2018, the District had uncompleted construction and architect contracts on the project totaling \$13,410 that will be funded by available District funds committed to the building and funds from the State of Louisiana, Office of Facility Planning and Control, Division of Administration.

# NATCHITOCHEES PARISH COMMUNICATIONS DISTRICT

Natchitoches, Louisiana

## NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019

---

### 6. COMMITMENTS AND CONTINGENCIES (continued)

In September 2014, the Natchitoches Parish Communications District entered into an inter-governmental agreement with the Parish of Natchitoches, whereby the District agrees to reimburse the Parish for payroll services provided, provide road name markers on parish roadways, and develop and provide geographic information system for the parish. The term of the agreement is indefinite, with either party able to terminate on January 1 of any year with 180 days prior notice. In 2019, the District paid \$53,598 for payroll services.

In November 2016, a professional services agreement between the Natchitoches Parish Communications District and the current director, Willis T. Carter, LLC was signed. This contract was effect until November, 2019, at an annual calendar-year fee of \$85,000. A contract was signed November, 2019, with the director with an annual calendar-year fee of \$86,700. In 2019, The District paid \$85,243 for a director.

At December 31, 2019, the Natchitoches Parish Communications District was not a involved in any litigation nor were they aware of any unasserted claims.

### 7. COMMISSIONERS PER DIEM

The Commissioners of the Board were not paid per diem for the year ended December 31, 2019.

### 8. RELATED PARTY TRANSACTIONS

FASB 57 requires the disclosure of the description of the relationship, the transactions, the dollar amount of the transactions, and any amounts due to or from that result from related party transactions. Procedures, observations, and inquires did not disclose any material related party transactions.

### 9. SUBSEQUENT EVENTS

Management has performed an evaluation of the Communications District's activities through July 24, 2020, and has concluded that there were no significant events requiring recognition or disclosure through the date and time these financial statements were available to be issued, except for the following note.

In the spring of 2020, there was a global outbreak of a new strain of coronavirus, COVID-19. The public health crisis has caused volatile economic conditions, impacting financial markets and disrupting general business activities across the United States. The timing and extent of the impact of COVID-19 on the Natchitoches Parish Communications District's current operations and future operations is unknown at the date of this report.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT  
d/b/a Natchitoches E911  
Natchitoches, Louisiana**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
For the year ended December 31, 2019**

	Budgeted Amounts		Actual	Adjustment to Budgetary Basis	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final				
<b>Revenues</b>						
Charges for services	\$ 594,963	\$ 586,380	\$ 592,978	\$ -	\$ 592,978	\$ 6,598
Grants and contributions	100,000	-	211,414	(211,414)	-	-
Interest earnings	1,500	1,200	1,241	-	1,241	41
Total Revenues	<u>696,463</u>	<u>587,580</u>	<u>805,633</u>	<u>(211,414)</u>	<u>594,219</u>	<u>6,639</u>
<b>Expenditures</b>						
Personal services	58,500	55,800	56,350	-	56,350	(550)
Operating services	161,050	191,930	254,429	-	254,429	(62,499)
Operating supplies	7,800	7,900	25,205	-	25,205	(17,305)
Professional services	131,000	127,000	128,006	-	128,006	(1,006)
Travel	1,000	-	-	-	-	-
Capital outlay	419,300	380,058	263,813	(16,092)	247,721	132,337
Total Expenditures	<u>778,650</u>	<u>762,688</u>	<u>727,803</u>	<u>(16,092)</u>	<u>711,711</u>	<u>50,977</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(82,187)	(175,108)	77,830	195,322	(117,492)	57,616
<b>FUND BALANCE</b>						
Beginning of the year	<u>1,210,874</u>	<u>1,210,874</u>	<u>1,210,874</u>	<u>-</u>	<u>1,210,874</u>	<u>1,210,874</u>
End of the year	<u>\$ 1,128,687</u>	<u>\$ 1,035,766</u>	<u>\$ 1,288,704</u>	<u>\$ 195,322</u>	<u>\$ 1,093,382</u>	<u>\$ 1,224,152</u>

See accompanying notes and independent auditor's report.

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**  
**d/b/a Natchitoches E911**  
**Natchitoches, Louisiana**

**NOTE TO BUDGETARY COMPARISON SCHEDULE**

December 31, 2019

**Budgetary Information**

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

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

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

The budget is prepared in accordance with accounting principles generally accepted in the United States of America. Budgets for most governmental funds are adopted annually on the cash basis of accounting. Adjustments were made to the budget reporting to remove the modified accruals necessary in financial statement reporting. The budget comparison schedules present the original adopted budget and the final amended budget.

Louisiana Revised Statute (LSA-R.S.) 39:1311 states that if there is a five percent or greater shortage in revenue or a five percent or greater overage in expenditures, the governing authority must adopt a budget amendment. For the year ended December 31, 2019, actual revenues were over the adjusted budgeted amounts by \$6,639 or 1.13%. Expenditures were less than appropriations by \$50,977 or 6.684% under the adjusted budget.

The District is in compliance with the Local Government Budget Act R.S. 39:1301-14 and the budget requirements of LSA-RS 39:34.

## OTHER SUPPLEMENTAL INFORMATION



**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT  
d/b/a Natchitoches E911  
Natchitoches, Louisiana**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

For the year ended December 31, 2019

Willis Carter, Director

Purpose		
Contract	\$	85,243
Benefits-insurance		-
Benefits-retirement		-
Benefits-other		-
Car allowance		-
Vehicle provided by government		-
Per diem		-
Reimbursements		
Travel		366
Registration fees		-
Conference travel		-
Continuing professional education fees		-
Housing		-
Unvouchered expenses		-
Special meals		-
Total	\$	<u><u>85,609</u></u>

See accompanying notes and independent auditor's report.

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**  
**d/b/a Natchitoches E911**  
**Natchitoches, Louisiana**

**SUPPLEMENTARY INFORMATION IN ACCORDANCE WITH**  
**LOUISIANA REVISED STATUTE 33-9109E**  
For the Year Ended December 31, 2019

In accordance with Louisiana Revised Statute 33:9109E, the Natchitoches Parish Communications District is authorized to collect emergency telephone service charges on wireless communications systems to pay the costs of implementing FCC ordered enhancements. Once these enhancements have been made and the system implementation is complete, the proceeds can be used for any lawful purpose of the Communication District. As of December 31, 2014, Phase I and Phase II wireless location enhancements were complete. In 2015, the Communications District completed an upgrade to its 9-1-1 call hand line equipment. Time synchronization technology was added to the call handling customer premise equipment during the period 2017. In 2016, the Communications District began construction of a 9,000 sq. ft. emergency communications facility which is designed to house emergency call taking and dispatch operations for all Fire, EMS, and Law Enforcement agencies in the parish. Agencies moved into the facility and began operations in July of 2019. In addition, a new processing system was installed in that new facility and went into service at the same time.

The District's collections of wireless service charges totaled \$324,911 for the year ending December 31, 2019.

See accompanying notes and independent auditor's report.

OTHER REPORTS REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS*



## **Dees Gardner, Certified Public Accountants, LLC**

Deborah D. Dees, CPA/CFF

Maura Dees Gardner, CPA, CFE

Phone 318-872-3007

122 Jefferson Street

Mansfield, Louisiana

Fax 318-872-1357

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

To the Board of Commissioners of the  
Natchitoches Parish Communications District  
Natchitoches, Louisiana

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of the Natchitoches Parish Communications District, a component unit of the Natchitoches Parish Government, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Communications District's basic financial statements and have issued our report thereon dated July 24, 2020.

#### Internal Control over Financial Reporting

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

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

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 the Natchitoches Parish Communications 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 statement 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 District's internal control or on compliance. This report is an integral part of any 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 21:513, this report is distributed by the Louisiana Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44.6.

*Dees Gardner, Certified Public Accountants, LLC*

Mansfield, Louisiana  
July 24, 2020

## AUDIT FINDINGS

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**

Schedule of Findings and Responses  
For the Year ended December 31, 2019

**SUMMARY OF AUDITOR'S REPORTS**

INDEPENDENT AUDITOR'S REPORT:

We have audited the basic financial statements of the Natchitoches Parish Communications District as of and for the year ended December 31, 2019, and have issued our report thereon dated July 24, 2020, 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. Our audit of the basic financial statements as of December 31, 2019, resulted in an unmodified opinion.

REPORT ON INTERNAL CONTROL AND COMPLIANCE MATERIAL AND OTHER MATTERS TO THE FINANCIAL STATEMENTS:

Internal Control

Significant Deficiency	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Material Weakness	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Compliance

Compliance Material to Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Other Matters	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

FEDERAL AWARDS

Not applicable

MANAGEMENT LETTER

None.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Not applicable

**Findings relating to the Financial Statements which are required to be reported under *Government Auditing Standards*.**

FINDINGS RELATED TO INTERNAL CONTROL

None.

FINDINGS RELATED TO COMPLIANCE

None.

**NATCHITOCHE PARISH COMMUNICATIONS DISTRICT**  
Summary Schedule of Prior Year Findings  
For the year ended December 31, 2019

None reported.



## OTHER REPORT



# **Dees Gardner, Certified Public Accountants, LLC**

Deborah D. Dees, CPA/CFF

122 Jefferson Street

Maura Dees Gardner, CPA, CFE

Mansfield, Louisiana 71052

Phone 318-872-3007

FAX 318-872-1357

## **Independent Accountant's Report On Applying Agreed-Upon Procedures**

To the Members of the Board of Commissioners  
of the Natchitoches Parish Communications District  
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Natchitoches Parish Communications District (the District) 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 District'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:

### **Bank Reconciliations**

---

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:

*A listing of client bank accounts from management and management's representation that the listing is complete were obtained. The main operating account and the only other account of the District were selected for review.*

- a) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*The reconciliations reviewed had no old outstanding items listed.*

### **Travel and Travel-Related Expense Reimbursements (excluding card transactions)**

---

8. 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:

*A listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing is complete were obtained.*

- 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](http://www.gsa.gov)).

*No exceptions were noted as a result of this procedure.*

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.

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.

*Dees Gardner, Certified Public Accountants, LLC*

Mansfield, LA  
July 24, 2020