

**EVANGELINE PARISH  
COMMUNICATIONS DISTRICT**

**Financial Report**

**Year Ended December 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

The President and Members of  
the Board of Commissioners  
Evangeline Parish Communications District  
Ville Platte, Louisiana

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and the major fund of the Evangeline Parish Communications District (Communications District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Communications District's basic financial statements as listed in the table of contents.

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 major fund of the Communications District, as of December 31, 2022, 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.

#### *Basis for Opinions*

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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Communications District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Communications District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Communications District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Communications District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that budgetary comparison schedule, schedule of employer's share of net pension liability, and schedule of employer contributions, on page 30 - 33, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

The Communications District has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 3, 2023, on our consideration of the 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 solely 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 effectiveness of the Communications District's 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 Communications District's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
April 3, 2023

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Statement of Net Position  
December 31, 2022

|                                       | <u>Governmental<br/>Activities</u> |
|---------------------------------------|------------------------------------|
| <b>ASSETS</b>                         |                                    |
| Cash and interest-bearing deposits    | \$ 307,748                         |
| Receivables, net                      | 306,008                            |
| Capital assets, net                   | 2,357,812                          |
| Net pension asset                     | <u>344,606</u>                     |
| Total assets                          | <u>3,316,174</u>                   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b> |                                    |
| Pension plan                          | <u>145,832</u>                     |
| <b>LIABILITIES</b>                    |                                    |
| Accounts and other payables           | 38,223                             |
| Long-term liabilities:                |                                    |
| Due within one year -                 |                                    |
| Bonds payable                         | 68,000                             |
| Due after one year -                  |                                    |
| Compensated absences payable          | 15,420                             |
| Bonds payable                         | <u>1,062,000</u>                   |
| Total liabilities                     | <u>1,183,643</u>                   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                                    |
| Pension plan                          | <u>331,395</u>                     |
| <b>NET POSITION</b>                   |                                    |
| Net investment in capital assets      | 1,227,812                          |
| Unrestricted                          | <u>719,156</u>                     |
| Total net position                    | <u><u>\$ 1,946,968</u></u>         |

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



EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Statement of Activities  
For the Year Ended December 31, 2022

| Activities                                    | Expenses          | Program Revenues        |                                       | Net (Expense)<br>Revenue and<br>Changes in Net Position |
|---|-------------------|-------------------------|---------------------------------------|---|
|   |                   | Charges for<br>Services | Operating Grants<br>and Contributions | Governmental<br>Activities                              |
| Governmental activities:                      |                   |                         |                                       |   |
| Public safety                                 | \$ 938,104        | \$ 543,636              | \$ 3,382                              | \$ (391,086)  |
| Interest on long-term debt                    | <u>46,899</u>     | <u>-</u>                | <u>-</u>                              | <u>(46,899)</u>   |
|   | <u>\$ 985,003</u> | <u>\$ 543,636</u>       | <u>\$ 3,382</u>                       | <u>(437,985)</u>  |
| General revenues:                             |                   |                         |                                       |   |
| Ad valorem taxes, levied for general purposes |                   |                         |                                       | 281,073   |
| Non-employer pension contribution             |                   |                         |                                       | 6,052   |
| Miscellaneous income                          |                   |                         |                                       | 1,608   |
| Interest and investment earnings              |                   |                         |                                       | <u>969</u>  |
| Total general revenues                        |                   |                         |                                       | <u>289,702</u>  |
| Change in net position                        |                   |                         |                                       | (148,283)   |
| Net position, beginning                       |                   |                         |                                       | <u>2,095,251</u>  |
| Net position, ending                          |                   |                         |                                       | <u>\$ 1,946,968</u>                                     |

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

**FUND FINANCIAL STATEMENTS (FFS)**

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Balance Sheet  
Governmental Fund - General Fund  
December 31, 2022

ASSETS

|                                    |                   |
|------------------------------------|-------------------|
| Cash and interest-bearing deposits | \$ 307,748        |
| Revenue receivable, net            | <u>306,008</u>    |
| Total assets                       | <u>\$ 613,756</u> |

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE

Liabilities:

|  |                   |
|--|-------------------|
| Accounts and other payables  | \$ 38,223         |
| Deferred inflows of resources:                                     |                   |
| Unavailable revenue - ad valorem taxes                             | 29,404            |
| Fund balance:  |                   |
| Unassigned   | <u>546,129</u>    |
| Total liabilities, deferred inflows of resources, and fund balance | <u>\$ 613,756</u> |

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

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
December 31, 2022

|  |                |                           |
|--|----------------|---------------------------|
| Total fund balance for the governmental fund at December 31, 2022  |                | \$ 546,129                |
| Total net position reported for governmental activities in the statement of net position is different because:   |                |                           |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:   |                |                           |
| Land   | \$ 20,800      |                           |
| Buildings and improvements, net of \$433,937 accumulated depreciation  | 2,217,976      |                           |
| Furniture and equipment, net of \$167,736 accumulated depreciation   | <u>119,036</u> | 2,357,812                 |
| Some revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources at the fund level. |                |                           |
| Unavailable revenues - ad valorem taxes  |                | 29,404                    |
| Deferred outflows of expenditures for the pension plan are not a use of current resources and, therefore, are not reported in the funds.   |                |                           |
|  |                | 145,832                   |
| Some liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds.   |                |                           |
| Compensated absences payable   | (15,420)       |                           |
| Bonds payable  | (1,130,000)    |                           |
| Net pension asset  | <u>344,606</u> | (800,814)                 |
| Deferred inflows of contributions for the pension plan are not available resources and, therefore, are not reported in the funds.  |                |                           |
|  |                | <u>(331,395)</u>          |
| Net position at December 31, 2022  |                | <u><u>\$1,946,968</u></u> |

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

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Statement of Revenues, Expenditures, and Change in Fund Balance -  
Governmental Fund - General Fund  
For the Year Ended December 31, 2022

|                               |                   |
|-------------------------------|-------------------|
| Revenues:                     |                   |
| Ad valorem tax                | \$ 277,400        |
| Charges for services -        |                   |
| Telephone surcharges          | 145,634           |
| Cellular surcharges           | 352,783           |
| Dispatching services          | 45,219            |
| Miscellaneous income          | 4,990             |
| Interest on deposits          | <u>969</u>        |
| Total revenues                | <u>826,995</u>    |
| Expenditures:                 |                   |
| Current -                     |                   |
| Public safety:                |                   |
| Advertising                   | 590               |
| Auto                          | 1,807             |
| Dues and subscriptions        | 1,007             |
| Repairs and maintenance       | 94,438            |
| Insurance                     | 38,149            |
| Convention and seminar        | 109               |
| Equipment lease               | 20,340            |
| Office and computer supplies  | 50,672            |
| Postage                       | 303               |
| Supplies                      | 2,512             |
| Telephone                     | 8,711             |
| Utilities                     | 23,473            |
| Professional fees             | 18,675            |
| Salaries and related benefits | 650,259           |
| Debt service                  | <u>112,899</u>    |
| Total expenditures            | <u>1,023,944</u>  |
| Net change in fund balance    | (196,949)         |
| Fund balance, beginning       | <u>743,078</u>    |
| Fund balance, ending          | <u>\$ 546,129</u> |

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

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Change in Fund Balance of Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2022

|   |   |        |        |
|---|---|--------|--------|
| Total net change in fund balance for the year ended December 31, 2022 per the statement of revenues, expenditures and change in fund balance  | \$ (196,949)  |        |        |
| The change in net position reported for governmental activities in the statement of activities is different because:  |   |        |        |
| 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.   |   |        |        |
| Depreciation expense  | (98,342)  |        |        |
| Some revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources at the fund level.  |   |        |        |
| Change in unavailable revenue - ad valorem taxes  | 3,673   |        |        |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. |   |        |        |
| Repayment of bond principal   | 66,000  |        |        |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.   |   |        |        |
| Compensated absences payable  | \$ (15,420)   |        |        |
| Net pension liability   | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right; border-bottom: 1px solid black;">92,755</td> <td style="text-align: right; border-bottom: 1px solid black;">77,335</td> </tr> </table> | 92,755 | 77,335 |
| 92,755  | 77,335  |        |        |
| Change in net position for year ended December 31, 2022 per the statement of activities   | <u>\$ (148,283)</u>   |        |        |

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

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Evangeline Parish Communications District (Communications District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The Communications District has been created by and in accordance with provisions of Louisiana Revised Statute Title 33, Chapter 31, Section 9101-9106 for the purpose of establishing an Enhanced Emergency 911 Service. The Communications District's Board of Commissioners consists of nine members who are appointed by the Evangeline Parish Police Jury and serve four-year terms. The Commission members receive no compensation.

Because the Evangeline Parish Police Jury appoints the Board of Commissioners and can impose its will on the Communications District, the Communications District is determined to be a component unit of the Evangeline Parish Police Jury. The accompanying financial statements present information only on the fund maintained by the Communications District and do not present information on the Evangeline Parish Police Jury, the general government services provided by that governmental entity, or the other governmental entities that comprise the financial reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The government-wide financial statements provide operational accountability information for the Communications District as an economic unit. The government-wide financial statements report the Communication District's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities of the Communications District. Fiduciary funds are omitted from the government-wide financial statements. The Communications District has no fiduciary funds.

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 and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines 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.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

The accounts of the Communications District are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, expenditures/expenses, and transfers. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The emphasis of the fund financial statements is on major funds, each displayed in a separate column.

The General Fund is always a major governmental fund. Other individual governmental and enterprise major funds are determined as funds whose revenues, expenditures/expenses, assets and deferred outflows of resources, or liabilities and deferred inflows of resources, are at least ten percent of the corresponding totals for all funds of that category or type (total governmental or total enterprise funds) and at least five percent of the corresponding total for all governmental and enterprise funds combined or funds designated as major at the discretion of the Communications District. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements. The Communications District maintains one fund, which is categorized as a governmental fund as described below.

Governmental Fund -

Governmental funds are those through which most governmental functions are typically financed. The measurement focus of governmental funds is on the sources, uses, and balances of current financial resources.

General Fund

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

C. Measurement Focus and Basis of Accounting

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



EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Measurement Focus

The measurement focus determines the accounting and financial reporting treatment applied to a fund.

The governmental activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The governmental funds use the current financial resources measurement focus. This measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income.

Basis of Accounting

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

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, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. An exception to this is grants collected on a reimbursement basis. Those reimbursable grants are recognized as revenue when reimbursable expenditures are made. Property tax revenues are recognized in the period for which levied provided they are also available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Allocation of indirect expenses

The Communications District reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities.

Program revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the Communications District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Communications District's general revenues.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Equity

Cash and interest-bearing deposits

Cash and interest-bearing deposits include all demand accounts, money market accounts, savings accounts, and certificates of deposits of the Communications District. They are stated at cost, which approximates market.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and phone and cellular surcharges. Uncollectible ad valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectible ad valorem taxes was \$6,068 at December 31, 2022.

Capital Assets

Capital assets, which include buildings and improvements, and furniture, equipment, and vehicles, are reported 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 acquisition value at the date of donation. The Communications District maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (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:

|                                   |             |
|-----------------------------------|-------------|
| Buildings and improvements        | 15-40 years |
| Furniture, fixtures and equipment | 5-10 years  |

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

Compensated Absences

Employees of the Communications District earn annual leave at the rate of 144-184 hours each year, depending upon their length of service. Unused annual leave may be carried forward from year to year not to exceed 40 hours. Upon termination, employees are paid for unused annual leave at the employee's current rate of pay.

Full-time employees of the Communications District earn 88-128 hours of sick leave each year, depending upon their length of service. Unused sick leave may be carried forward from year to year without limitation for employees hired before July of 2016. The carry forward amount is capped at 720 hours for employees hired after June of 2016. Upon termination, unused sick leave is forfeited.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of revenue tax bonds.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal, interest, and issuance costs are reported as expenditures.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. Deferred outflows of resources and deferred inflows of resources in the government-wide statements are related to its pension plan. Deferred inflows of resources in the fund financial statements are related to unavailable ad valorem tax revenue.

Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense (See Note 8), have been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Member's earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Non-employer contributions are recognized as revenue in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when made.

Equity Classifications

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

- a. Net investment in capital assets consists of 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 increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. It is the Communications District's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

- c. Unrestricted net position consists of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Communications District’s Board of Commissioners, which is the highest level of decision-making authority for the Communications District.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Communications District’s adopted policy, only the Board of Commissioners may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

It is the Communications District’s policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Communications District uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

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 the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(2) Cash and Interest-Bearing Deposits

Under state law, the Communications District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Communications District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2022, the Communications District has cash and interest-bearing deposits (book balances) as follows:

|  |                  |
|--|------------------|
| Demand deposits                          | \$ 20,916        |
| Time, savings, and money market deposits | <u>286,832</u>   |
| Total                                    | <u>\$307,748</u> |

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Communications District's deposits may not be recovered or the collateral securities that are in the possession of an outside party will not be recovered. 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 similar federal security 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 bank. 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. Deposit balances (bank balances) in the amount of \$308,087, at December 31, 2022, were fully secured by federal deposit insurance. Therefore, the Communications District was not exposed to custodial credit risk.

(3) Receivables

Receivables consist of the following at December 31, 2022:

|                                   |                   |
|-----------------------------------|-------------------|
| Ad valorem taxes, net             | \$ 262,477        |
| Telephone and cellular surcharges | <u>43,531</u>     |
|                                   | <u>\$ 306,008</u> |

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(4) Capital Assets

Capital asset activity for the year ended December 31, 2022 follows:

|                                       | <u>Beginning<br/>Balance</u> | <u>Additions</u>   | <u>Deletions</u> | <u>Ending<br/>Balance</u> |
|---------------------------------------|------------------------------|--------------------|------------------|---------------------------|
| Capital assets not being depreciated: |                              |                    |                  |                           |
| Land                                  | \$ 20,800                    | \$ -               | \$ -             | \$ 20,800                 |
| Other capital assets:                 |                              |                    |                  |                           |
| Buildings and improvements            | 2,651,913                    | -                  | -                | 2,651,913                 |
| Furniture, fixtures and equipment     | <u>286,772</u>               | <u>-</u>           | <u>-</u>         | <u>286,772</u>            |
| Total                                 | <u>2,959,485</u>             | <u>-</u>           | <u>-</u>         | <u>2,959,485</u>          |
| Less accumulated depreciation         |                              |                    |                  |                           |
| Buildings and improvements            | 366,040                      | 67,897             | -                | 433,937                   |
| Furniture, fixtures and equipment     | <u>137,291</u>               | <u>30,445</u>      | <u>-</u>         | <u>167,736</u>            |
| Total accumulated depreciation        | <u>503,331</u>               | <u>98,342</u>      | <u>-</u>         | <u>601,673</u>            |
| Net capital assets                    | <u>\$2,456,154</u>           | <u>\$ (98,342)</u> | <u>\$ -</u>      | <u>\$2,357,812</u>        |

Depreciation expense of \$98,342 was charged to the public safety function.

(5) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1<sup>st</sup> of each year. Taxes are levied in October and billed to the taxpayers by the Evangeline Parish Sheriff in December. Billed taxes become delinquent on January 1<sup>st</sup> of the following year. The taxes are based on assessed values determined by the Evangeline Parish Assessor and are collected by the Sheriff. The taxes are remitted to the Communications District net of deductions for Pension Fund contributions.

For the year ended December 31, 2022, taxes were levied at the rate of 1.04 mills on property with assessed valuations totaling \$266,739,578. Total taxes levied during 2022 were \$277,408. Ad valorem taxes receivable at December 31, 2022 was \$262,477, net of an allowance for uncollectible taxes of \$6,068.

(6) Tax Abatements

The Communications District is subject to property tax abatements as follows:

A lease agreement between the Industrial Development Board and Pine Prairie Energy Center, LLC, allowed for the exemption of ad valorem taxes for fifteen years. This agreement, which was approved by the Evangeline Parish Police Jury, is for the inducement of economic development in Evangeline Parish. For the year ended December 31, 2022 the Communications District abated ad valorem tax in the amount of \$29,911.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

The Industrial Ad Valorem Tax Exemption Program (ITEP) provided through the Louisiana Department of Economic Development, (authorized pursuant to Article VII, Part II, Section 21(F) of the Louisiana Constitution of 1974) authorizes the abatement of ad valorem taxes for a period of up to ten years on capital improvements and equipment related to manufacturing. The Communications District abated property taxes to entities in the parish through the ITEP in the amount of \$5,074 for the year ended December 31, 2022.

(7) Long-Term Liabilities

The following is a summary of long-term liability transactions for the year ended December 31, 2022.

|                     |                     |
|---------------------|---------------------|
| Beginning balance   | \$ 1,196,000        |
| Additions           | -                   |
| Reductions          | <u>66,000</u>       |
| Ending balance      | <u>\$ 1,130,000</u> |
| <br>                |                     |
| Due within one year | <u>\$ 68,000</u>    |

Bonds payable consist of \$1,500,000 Limited Revenue Tax Bonds, Series 2015, dated April 1, 2015, due in annual installments of \$68,000 through \$110,000; interest at 3.12% to 4.49%, secured by and payable from telephone surcharges and an irrevocable pledge and dedication of the proceeds of a 1.04 mills ad valorem tax.

Annual debt service requirements to maturity for the bonds are as follows:

| Year Ending<br>December 31, | Principal           | Interest          | Total               |
|-----------------------------|---------------------|-------------------|---------------------|
| 2023                        | \$ 68,000           | \$ 44,748         | \$ 112,748          |
| 2024                        | 71,000              | 42,398            | 113,398             |
| 2025                        | 73,000              | 39,859            | 112,859             |
| 2026                        | 76,000              | 37,120            | 113,120             |
| 2027                        | 79,000              | 34,162            | 113,162             |
| 2028 - 2032                 | 446,000             | 119,002           | 565,002             |
| 2033 - 2035                 | <u>317,000</u>      | <u>21,624</u>     | <u>338,624</u>      |
|                             | <u>\$ 1,130,000</u> | <u>\$ 338,913</u> | <u>\$ 1,468,913</u> |



EVANGELINE PARISH COMMUNICATIONS DISTRICT  
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Notes to the Basic Financial Statements (Continued)

(8) Pension Plan

Plan Description

The Communications District participates in the Parochial Employees Retirement System of Louisiana (Plan A), a cost-sharing, multiple-employer, defined benefit pension plan, established by LRS 11:1901. The System is administered and controlled by a separate board of trustees. The System provides retirement, disability and death benefits to plan members and beneficiaries.

Eligibility and Benefits:

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes. A surviving spouse who is not eligible for Social Security survivorship or retirement benefits and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

Deferred Retirement Option Plan:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

Disability Benefits:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007 and have at least five years of creditable service or if hired after January 1, 2007, have seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to 3% of the member's final average compensation multiplied by his years of service, not to be less than 15, or three percent multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

Contributions:

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2022, members contributed 9.5% of their annual covered salary and the Communications District contributed 11.50%. According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. Contributions from non-employer contributing entities were \$6,052. Contributions to the pension plan from the Communications District were \$53,655 for the year ended December 31, 2022.

Net Pension Liability:

At December 31, 2022, the Communications District reported a liability (asset) of \$(344,606) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021 and the total pension liability used to calculate the net pension obligation was determined by an actuarial valuation as of that date. The Communications District's proportion of the net pension liability (asset) was based on a projection of the Communications District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the most recent measurement date, the Communications District's proportion was 0.073158%, a decrease of 0.006483%. Detailed information about the pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the Communications District's net pension liability is available in the separately issued plan financial reports at <http://www.persla.org>.

Actuarial Assumptions:

A summary of the actuarial methods and assumptions used in determining the total pension liability of the System as of December 31, 2022 are as follows:

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

|   |   |
|---|---|
| Valuation Date  | December 31, 2021   |
| Date of experience study on which significant assumptions are based | 1/1/2013 - 12/31/2017   |
| Actuarial Cost Method   | Entry Age Normal  |
| Expected Remaining Service Lives                                    | 4 years   |
| Investment Rate of Return   | 6.40%, net of investment expense  |
| Inflation Rate  | 2.30%   |
| Projected Salary Increases  | 4.75%   |
| Mortality   | Pub-2010 Public Retirement Plans Mortality Table for: Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality; for General Employees multiplied by 130% for males and 125% for females using MP2018 scale; for General Disabled Retirees multiplied by 130% for males and 125% for females using the MP2018 scale for disabled annuitants. |
| Cost of Living Adjustments  | The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.  |

Cost-of-Living Increases:

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Discount Rate:

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
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Notes to the Basic Financial Statements (Continued)

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the Capital Asset Pricing Model (CAPM). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.00% for the year ended December 31, 2021. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocations as of December 31, 2021 are summarized in the following table:

| Asset Class                        | Target<br>Asset<br>Allocation | Long-Term Expected<br>Portfolio Real<br>Rate of Return |
|------------------------------------|-------------------------------|--|
| Fixed income                       | 33%                           | 0.85%  |
| Equity                             | 51%                           | 3.23%  |
| Alternatives                       | 14%                           | 0.71%  |
| Real assets                        | 2%                            | 0.11%  |
|                                    | 100%                          | 4.90%  |
| Inflation                          |                               | 2.10%  |
| Expected Arithmetic Nominal Return |                               | 7.00%  |

Sensitivity to Changes in the Discount Rate:

The following presents the employer's proportionate share of the net pension liability for Plan A calculated using the discount rate of 6.40%, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

|   | 1.0% Decrease<br>5.40% | Current<br>Discount Rate<br>6.40% | 1.0% Increase<br>7.40% |
|---|------------------------|-----------------------------------|------------------------|
| Employer's proportionate share of the net pension liability (asset) | \$ 61,437              | \$ (344,606)                      | \$ (684,741)           |

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2022, the Communications District recognized a pension benefit of \$33,048.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

At December 31, 2022, the Communications District reported deferred outflows of resources and deferred inflows of resources related to the System from the following sources:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experiences   | \$ 20,821                         | \$ 24,976                        |
| Change of assumptions   | 17,972                            | -                                |
| Net difference between projected and actual earnings<br>on pension plan investments   | -                                 | 298,078                          |
| Change in proportion and differences between the<br>employer's contributions and the employer's<br>proportionate share of contributions | 53,384                            | 8,341                            |
| Contributions subsequent to the measurement date  | 53,655                            | -                                |
| Total   | \$ 145,832                        | \$ 331,395                       |

Deferred outflows of resources of \$53,655 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

| Fiscal Year Ended |              |
|-------------------|--------------|
| 2023              | \$ (30,738)  |
| 2024              | (96,338)     |
| 2025              | (80,191)     |
| 2026              | (31,951)     |
|                   | \$ (239,218) |

At December 31, 2022, the Communications District reported payables of \$22,717 for the contractually required contributions for the 4<sup>th</sup> quarter of 2022. These amounts are included in liabilities and reported as accounts payable in these financial statements.

(9) Implementation of Wireless E911 Service

In accordance with Louisiana Revised Statute 33:9109, the 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 Communications District. As of December 31, 2022, all enhancements are complete. Collections of wireless service charges totaled \$352,783 for the year ending December 31, 2022.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
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Notes to the Basic Financial Statements (Continued)

(10) Compensation, Benefits, and Other Payments to Agency Head

A detail of compensation, benefits, and other payments to Liz Hill, Director, for the year ended December 31, 2022 follows:

| <u>Purpose</u>        | <u>Amount</u>     |
|-----------------------|-------------------|
| Salary                | \$ 80,685         |
| Benefits - insurance  | 8,229             |
| Benefits - retirement | 9,404             |
| Cell phone            | 1,337             |
| Per diem              | 79                |
| Registration fees     | 125               |
| Lodging               | 90                |
| Dues                  | 308               |
|                       | <u>\$ 100,257</u> |

(11) Board of Commissioners' Compensation

No per diem or other compensation is paid to commissioners of the Communications District.

(12) Risk Management

The Communications District is exposed to risks of loss in the areas of auto and property liability, workers' compensation, and surety bonds. All these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(13) Litigation

There is no litigation pending against the Communications District at December 31, 2022.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Budgetary Comparison Schedule  
General Fund  
For the Year Ended December 31, 2022

|                               | Budget           |                   | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------------|------------------|-------------------|-------------------|---|
|                               | Original         | Final             |                   | (Negative)  |
| <b>Revenues:</b>              |                  |                   |                   |   |
| Ad valorem tax                | \$ 257,000       | \$ 254,778        | \$ 277,400        | \$ 22,622   |
| Charges for services -        |                  |                   |                   |   |
| Telephone surcharges          | 165,000          | 140,593           | 145,634           | 5,041   |
| Cellular surcharges           | 375,000          | 373,805           | 352,783           | (21,022)  |
| Dispatching services          | 45,000           | 45,219            | 45,219            | -   |
| Miscellaneous                 | 1,500            | 8,338             | 4,990             | (3,348)   |
| Interest on deposits          | 4,000            | 1,088             | 969               | (119)   |
| Total revenues                | <u>847,500</u>   | <u>823,821</u>    | <u>826,995</u>    | <u>3,174</u>  |
| <b>Expenditures:</b>          |                  |                   |                   |   |
| Current -                     |                  |                   |                   |   |
| Public safety:                |                  |                   |                   |   |
| Advertising                   | -                | -                 | 590               | (590)   |
| Auto                          | 12,000           | 4,625             | 1,807             | 2,818   |
| Dues and subscriptions        | -                | -                 | 1,007             | (1,007)   |
| Repairs and maintenance       | 120,000          | 117,857           | 94,438            | 23,419  |
| Insurance                     | 44,000           | 36,358            | 38,149            | (1,791)   |
| Convention and seminar        | 10,000           | 2,717             | 109               | 2,608   |
| Equipment lease               | -                | 20,340            | 20,340            | -   |
| Office and computer supplies  | 80,000           | 76,062            | 50,672            | 25,390  |
| Postage                       | -                | -                 | 303               | (303)   |
| Miscellaneous                 | 2,000            | -                 | -                 | -   |
| Supplies                      | -                | -                 | 2,512             | (2,512)   |
| Telephone                     | -                | -                 | 8,711             | (8,711)   |
| Utilities                     | -                | -                 | 23,473            | (23,473)  |
| Professional fees             | 64,000           | 19,450            | 18,675            | 775   |
| Salaries and related benefits | 733,640          | 682,113           | 650,259           | 31,854  |
| Capital outlay                | 620,000          | -                 | -                 | -   |
| Debt service                  | 112,899          | 112,899           | 112,899           | -   |
| Total expenditures            | <u>1,798,539</u> | <u>1,072,421</u>  | <u>1,023,944</u>  | <u>48,477</u>   |
| Net change in fund balance    | (951,039)        | (248,600)         | (196,949)         | 51,651  |
| Fund balance, beginning       | <u>974,871</u>   | <u>743,078</u>    | <u>743,078</u>    | <u>-</u>  |
| Fund balance, ending          | <u>\$ 23,832</u> | <u>\$ 494,478</u> | <u>\$ 546,129</u> | <u>\$ 51,651</u>  |

The accompanying notes are an integral part of this schedule.



EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended December 31, 2022

| Year<br>ended<br>December 31,                        | Employer<br>Proportion<br>of the<br>Net Pension<br>Liability<br>(Asset) | Employer<br>Proportionate<br>Share of the<br>Net Pension<br>Liability<br>(Asset) | Covered<br>Payroll | Employer's<br>Proportionate Share<br>of the Net Pension<br>Liability (Asset) as a<br>Percentage of its<br>Covered Payroll | Plan Fiduciary<br>Net Position<br>as a Percentage<br>of the Total<br>Pension Liability |
|--|---|--|--------------------|---|--|
| <b><i>Parochial Employees Retirement System*</i></b> |   |  |                    |   |  |
| 2022   | 0.073158%   | \$ (344,606)   | \$ 490,838         | -70.2%  | 110.46%  |
| 2021   | 0.079641%   | (139,644)  | 531,925            | -26.3%  | 104.00%  |
| 2020   | 0.022326%   | 1,051  | 141,561            | 0.7%  | 99.89%   |

\*The amounts presented have a measurement date of the previous fiscal year.

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

The accompanying notes are an integral part of this schedule.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Schedule of Employer Contributions  
For the Year Ended December 31, 2022

| <u>Year ended<br/>December 31,</u>                  | <u>Contractually<br/>Required<br/>Contribution</u> | <u>Contributions in<br/>Relation to<br/>Contractually<br/>Required<br/>Contribution</u> | <u>Contribution<br/>Deficiency<br/>(Excess)</u> | <u>Covered<br/>Payroll</u> | <u>Contributions<br/>as a % of<br/>Covered<br/>Payroll</u> |
|---|--|---|---|----------------------------|--|
| <b><i>Parochial Employees Retirement System</i></b> |  |   |   |                            |  |
| 2022  | \$ 53,655  | \$ 53,655   | \$ -  | \$ 466,562                 | 11.50%   |
| 2021  | 60,128   | 60,128  | -   | 490,838                    | 12.25%   |
| 2020  | 65,161   | 65,161  | -   | 531,925                    | 12.25%   |

*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

The accompanying notes are an integral part of this schedule.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Notes to Required Supplementary Information  
For the Year Ended December 31, 2022

(1) Budgets and Budgetary Accounting

The Evangeline Parish Communications District follows these procedures in establishing the budgetary data reflected in the financial statements:

The Director prepares a proposed budget and submits it to the Board of Commissioners for the fiscal year no later than fifteen days prior to the beginning of each fiscal year. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing. After holding the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted. All budgetary appropriations lapse at the end of each fiscal year. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Communications District.

(2) Pension Plan

Changes in Benefit Terms – There were no changes in benefit terms.

Changes of Assumptions –

| *   |             | Investment    |             | Expected             | Projected       |
|---|-------------|---------------|-------------|----------------------|-----------------|
| Year Ended  | Discount    | Rate of       | Inflation   | Remaining            | Salary          |
| <u>December 31,</u>                                 | <u>Rate</u> | <u>Return</u> | <u>Rate</u> | <u>Service Lives</u> | <u>Increase</u> |
| <b><i>Parochial Employees Retirement System</i></b> |             |               |             |                      |                 |
| 2022  | 6.40%       | 6.40%         | 2.30%       | 4                    | 4.75%           |
| 2021  | 6.40%       | 6.40%         | 2.30%       | 4                    | 4.75%           |
| 2020  | 6.50%       | 6.50%         | 2.40%       | 4                    | 4.75%           |

*\*The amounts presented have a measurement date of the previous fiscal year end.*

**INTERNAL CONTROL, COMPLIANCE,  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

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## 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*

The President and Members of  
the Board of Commissioners  
Evangeline Parish Communications District  
Ville Platte, 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 the major fund of the Evangeline Parish Communications District (Communications District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Communications District's basic financial statements and have issued our report thereon dated April 3, 2023.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Communications District's internal control over financial reporting (internal control) as a basis for designing 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 Communications District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2022-001 that we consider to be a significant deficiency.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Communications District's financial statements are free from 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 financial statements. 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*.

## **Evangeline Parish Communications District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Communications District's response to the findings identified in our audit and described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The Communications District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
April 3, 2023

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Schedule of Current and Prior Year Audit Findings and Management's Corrective Action Plan  
For the Year Ended December 31, 2022

Current Year Findings relating to an audit in accordance with *Government Auditing Standards*:

A. Internal Control

**2022-001 Segregation of Duties**

Fiscal Year Finding Initially Occurred: 1995

CONDITION: The Communications District does not have an adequate segregation of functions within the accounting system.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows: "Internal control is a process, effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations."

CAUSE: The cause of the condition is the fact that the Communications District does not have a sufficient number of staff performing administrative and financial duties so as to provide adequate segregation of accounting and financial duties.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Management should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The Communications District has determined that it is not cost effective to achieve complete segregation of duties within the accounting functions.

B. Compliance

There were no compliance findings.

Part II. Prior Year Findings relating to an audit in accordance with *Government Auditing Standards*:

A. Internal Control

**2021-001 Segregation of Duties**

CONDITION: The Communications District does not have an adequate segregation of functions within the accounting system.

EVANGELINE PARISH COMMUNICATIONS DISTRICT  
Ville Platte, Louisiana

Schedule of Current and Prior Year Audit Findings and Management's Corrective Action Plan  
For the Year Ended December 31, 2022 (Continued)

RECOMMENDATION: Management should reassign incompatible duties among different employees to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

CURRENT STATUS: Unresolved. See finding 2022-001.

B. Compliance

**2021-002 Budget Public Hearing Noncompliance**

Fiscal year finding initially occurred: 2020

CONDITION: The Communications District did not comply with the public participation rules for the 2021 budget.

CURRENT STATUS: Resolved.



**EVANGELINE PARISH  
COMMUNICATIONS DISTRICT**

**Statewide Agreed-Upon Procedures Report**

**Year Ended December 31, 2022**

# KOLDER, SLAVEN & COMPANY, LLC

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2022 through December 31, 2022. The Evangeline Parish Communications District's management is responsible for those C/C areas identified in the SAUPs.

The Evangeline Parish Communications District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### 1) Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

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

ii. **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.

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

iii. **Disbursements**, including processing, reviewing, and approving.

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

- iv. **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., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).  
*No exceptions were found as a result of this procedure.*
- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.  
*No exceptions were found as a result of this procedure.*
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.  
*No exceptions were found as a result of this procedure.*
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.  
*No exceptions were found as a result of this procedure.*
- viii. **Credit Cards (and debit cards, fuel cards, purchase 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).  
*No exceptions were found as a result of this procedure.*
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.  
*The policy did not contain all of the required subcategories.*
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.  
*No exceptions were found as a result of this procedure.*
- xi. **Information Technology 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.  
*The entity did not have a policy for this category.*
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.  
*The entity's policy did not contain the required subcategories.*

## ***2) Board or Finance Committee***

---

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.  
*No exceptions were found as a result of this procedure.*
  - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.  
*No exceptions were found as a result of this procedure.*
  - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.  
*No exceptions were found as a result of procedure.*
  - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.  
*Written updates on the progress of audit findings were not provided to the board.*

## ***3) Bank Reconciliations***

---

- A. Obtain a listing of entity 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 each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.  
*No exceptions were found as a result of procedures i - iii.*

## ***4) Collections (excluding electronic funds transfers)***

---

- A. 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 the listing of collection locations and management's representation that the listing is complete.*

- B. 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:
- i. Employees responsible for cash collections do not share cash drawers/registers;
  - ii. 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;
  - iii. 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; and
  - iv. 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/official verifies the reconciliation.

*No exceptions were found as a result of procedures i - iv.*

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

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

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe 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 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

*No exceptions were found as a result of procedures i - v.*

### ***5) Non-Payroll Disbursements (excluding card purchases, travel reimbursements, and petty cash purchases)***

---

- A. 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 the listing of locations that process payments and management's representation that the listing is complete.*

- B. For each location selected under procedure #5A 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:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;  
*This process can be performed by one employee.*
  - ii. At least two employees are involved in processing and approving payments to vendors;  
*No exceptions were found as a result of this procedure.*
  - iii. 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;  
*No exceptions were found as a result of this procedure.*
  - iv. 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; and  
*No exceptions were found as a result of this procedure.*
  - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.  
*No exceptions were found as a result of this procedure.*
- C. For each location selected under procedure #5A 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:
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity; and
  - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.  
*Obtained the entity's non-payroll disbursement transactions and management's representation that the population is complete. No exceptions were found as a result of procedures i - ii.*
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.  
*There was no indication of approval on the electronic disbursements.*

## **6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)**

---

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

*Obtained the listing of active credit cards and management's representation that the listing is complete.*

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials such as the mayor of a Lawrason Act municipality, should not be reported; and

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

*Some invoices did not indicate approval; no finance or late charges were assessed.*

- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*One (1) invoice was not available, and one (1) invoice did not have a description of what was purchased.*

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

---

- A. 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 and 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:

- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));
- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. 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 Policies and Procedures procedure #1A(vii); and

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*No exceptions were found as a result of procedures i – iv.*

#### ***8) Contracts (No contracts initiated or renewed during the year)***

---

- A. 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:
  - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was documented approval); and
  - iv. 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.

#### ***9) Payroll and Personnel***

---

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

*No exceptions were found as a result of this procedure.*
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
  - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

*No exceptions were found as a result of procedures i - iv.*



- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

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

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

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

## ***10) Ethics***

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

*No exceptions were found as a result of procedures i - ii.*

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

*The entity has not appointed an ethics designee.*

## ***11) Debt Service***

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- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

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

- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

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

## ***12) Fraud Notice***

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- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

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

- B. Observe the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

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

## ***13) Information Technology Disaster Recovery/Business Continuity***

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- A. Perform the following procedures:

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week (b) was not stored on the government's local server or network, and (c) was encrypted.

*We performed the procedure and discussed the results with management.*

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

*We performed the procedure and discussed the results with management.*

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

*We performed the procedure and discussed the results with management.*

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

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

## ***14) Prevention of Sexual Harassment***

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- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

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

- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

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

- C. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

*The annual report was not prepared.*

### ***Management’s Response***

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Management of the Evangeline Parish Communications District concurs with the exceptions and are working to address the deficiencies identified.

We were engaged by the Evangeline Parish Communications District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of the Evangeline Parish Communications District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
April 3, 2023