

Jackson Parish Communication District

A Component Unit of the Jackson Parish Police Jury
Jackson Parish, Louisiana

Annual Financial Statements

As of and For the Year Ended
December 31, 2019
with Supplemental Information Schedules

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Jackson Parish Communication District
Jonesboro, Louisiana

Annual Financial Statements
As of and for the year ended December 31, 2019

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Independent Accountant's Review Report

Jackson Parish Communication District
Jonesboro, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Jackson Parish Communication District, a component unit of the Jackson Parish Police Jury, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Jackson Parish Communication District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

Management 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Information

Act 706 of the Louisiana 2014 Legislative Session requires the Schedule of Compensation, Benefits, and Other Payments to Agency Head, on page 27, to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated June 15, 2020 on the results of our agreed-upon procedures.

Kenneth D. Falden & Co., CPAs

Jonesboro, Louisiana
June 15, 2020

FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Jackson Parish Communication District
Jonesboro, Louisiana

Statement of Net Position
As of December 31, 2019

	Governmental Activities
Assets	
Cash and equivalents	\$ 226,482
Investments	439,563
Accounts receivable	25,732
Capital assets (net of accumulated depreciation)	<u>84,720</u>
Total Assets	<u>776,497</u>
Liabilities	
Current Liabilities:	
Accounts payable	<u>2,767</u>
Total Liabilities	<u>2,767</u>
Net Position	
Net investment in capital assets	84,720
Unrestricted	<u>689,010</u>
Total Net Position	<u><u>\$ 773,730</u></u>

See accompanying notes and independent accountant's review report.

Jackson Parish Communication District
 Jonesboro, Louisiana

Statement of Activities
 For the Year Ended December 31, 2019

Functions/Programs	Major Funds			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government					
Governmental activities					
Public safety	\$ 102,434	\$ 196,827	\$ -	\$ -	94,393
Total governmental activities	<u>\$ 102,434</u>	<u>\$ 196,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>94,393</u>
<u>General Revenues</u>					
Investment earnings					6,765
Other revenue					148
Total general revenues and transfers					<u>6,913</u>
Change in net position					101,306
Net position - December 31, 2018					<u>672,425</u>
Net position - December 31, 2019					<u><u>\$ 773,731</u></u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

Jackson Parish Communication District
Jonesboro, Louisiana

Balance Sheet - Governmental Funds
As of December 31, 2019

	Governmental Funds
Assets	
Cash and equivalents	\$ 226,482
Investments	439,563
Accounts receivable	<u>25,732</u>
Total Assets	<u>\$ 691,777</u>
Liabilities & Fund Balances	
Liabilities:	
Accounts payable	\$ <u>2,767</u>
Total Liabilities	<u>2,767</u>
Fund balances:	
Unassigned, reported in:	
General revenue fund	<u>689,010</u>
Total Fund Balances	<u>689,010</u>
Total Liabilities and Fund Balances	<u>\$ 691,777</u>

See accompanying notes and independent accountant's review report.

Jackson Parish Communication District
Jonesboro, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
As of December 31, 2019

Total Fund Balances at December 31, 2019 - Governmental Funds (Statement C)	\$	689,010
Total Net Position reported for governmental activities in the Statement of Net Position (Statement A) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds, net of depreciation.		84,720
Net Position at December 31, 2019	\$	773,730

See accompanying notes and independent accountant's review report.

Jackson Parish Communication District
Jonesboro, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the Year Ended December 31, 2019

	Governmental Funds
Revenues	
Charges for services	196,827
Total revenues	196,827
Expenditures	
Current:	
Public safety	
Personnel services	25,836
Supplies	5,403
Utilities	7,419
Repairs and maintenance	7,471
Contractual services	36,145
Insurance	6,560
Legal and accounting	3,606
Office	3,966
Training, education, and travel	779
Capital outlay	89,968
Total expenditures	187,153
Excess (deficiency) of revenues over (under) expenditures	9,674
Other financing sources (uses)	
Interest earnings	6,765
Miscellaneous	148
Total other financing sources (uses)	6,913
Net changes in fund balances	16,587
Fund balances - December 31, 2018	672,425
Fund balances - December 31, 2019	\$ 689,012

See accompanying notes and independent accountant's review report.

Jackson Parish Communication District
Jonesboro, Louisiana

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Funds Balances to the Statement of Activities
For the Year Ended December 31, 2019

Total net change in Fund Balances - Governmental Funds (Statement E)	\$	16,585
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets capitalized over their estimated useful lives as depreciation expense. This is the amount by which capital outlay differs from depreciation for the period.

Depreciation		(5,248)
Capital outlay		89,968
Change in net position of governmental activities (Statement B)	\$	101,305

See accompanying notes and independent accountant's review report.

NOTES TO THE
FINANCIAL STATEMENTS

Jackson Parish Communication District
Jonesboro, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

INTRODUCTION

The Jackson Parish Communication District (District) was established in April 1990 by the Jackson Parish Police Jury, as provided by Louisiana Revised Statutes 33:9101 to 33:9106. The District was created for the establishment and operation of a parishwide enhanced Emergency 911 System. The District is governed by a Board of Commissioners, which has seven appointed members. Commissioners are residents of the District and consist of the Jackson Parish Sheriff, Jackson Parish Ambulance representative, Jonesboro Police Chief, Jonesboro Fire Chief, and three at-large appointments. All appointments serve terms of four years. The members of the Board of Commissioners do not receive compensation.

On October 6, 1990, the voters of Jackson Parish passed a proposition for the collection of a telephone surcharge to provide funding for the operation of the District.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District applies all relevant GASB pronouncements, and GAAP, as applicable to governmental entities. Also, the District's financial statements are prepared in accordance with the requirements of Louisiana R.S. 24:513, the Louisiana Municipal Audit and Accounting Guide and to the industry guide, Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants.

B. Reporting Entity

GASB Statement No. 14, The Financial Reporting Entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a primary government, since it is a special purpose government that has a separately appointed governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, establishes criteria for determining which, if any, component units should be considered part of the District for financial reporting purposes. GASB Statement No. 61 provides additional criteria for classifying entities as component units. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and:
 - i. The ability of the government to impose its will on that organization and/or
 - ii. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.

Jackson Parish Communication District
Jonesboro, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the above criteria, no component units were identified for the Jackson Parish Communication District.

C. Government-Wide Financial Statements

The District's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements present summaries of the governmental activities for the District. Fiduciary activities of the District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Jackson Parish Communication District's governmental activities.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the District's taxpayers or citizenry, including (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program; program revenues reduce the cost of the function to be financed from the District's general revenues.

Direct Expenses - The District reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

Indirect Expenses - The District reports all indirect expenses separately on the Statement of Activities (Statement B). Indirect expenses are those expenses that are not clearly identifiable with a function. Interest on long-term debt is considered an indirect expense.

General revenues are taxes and other items that are not properly included among program revenues.

Jackson Parish Communication District
Jonesboro, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

D. Fund Financial Statements

The accounts of the Jackson Parish Communication District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, expenditures or expenses, as appropriate, additions, and deductions. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Funds of the District are classified into one category: governmental.

Governmental Funds

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheets. Amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Long-term debts are reported as an other financing source, and repayment of long-term debt is reported as an expenditure. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

"Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. Accordingly, revenues are recorded when received in cash and when collected within 60 days after year-end. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

The Jackson Parish Communication District reports the following major governmental funds:

General Fund - The primary operating fund of the District, the General Fund accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District policy.

Revenues

The governmental funds use the following practices in recording revenues:

Those revenues susceptible to accrual are charges for services.

Jackson Parish Communication District
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Notes to the Financial Statements
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Entitlements and shared revenues are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and the susceptible-to-accrual criteria have been met.

Interest earnings are recorded when the investments have matured and the interest is available.

Expenditures

The governmental funds use the following practices in recording expenditures:

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Principal and interest on long-term debt are recognized when due.

Other Financing Sources (Uses)

The governmental funds use the following practices in recording other financing sources (uses):

Sales of fixed assets and long-term debt proceeds and payments are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

E. Equity Classifications

The Jackson Parish Communication District has implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

In the Government-Wide Financial Statements, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and reported in three components:

Net investment in capital assets: This classification consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

Restricted net position: This classification consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted net position: Any other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

Jackson Parish Communication District
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Notes to the Financial Statements
As of and for the year ended December 31, 2019

The Governmental Fund Financial Statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District did not have any nonspendable funds for the year ended December 31, 2019.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District did not have any restricted funds for the year ended December 31, 2019.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board typically establishes commitments through the adoption and amendment of the budget. The District did not have any committed funds for the year ended December 31, 2019.

Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Commissioners or through the Board delegating this responsibility to a body or official for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has no assigned funds for year ended December 31, 2019.

Unassigned: This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts. All funds of the District are designated as unassigned.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

F. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets are adopted and are made available for public inspection. The Board of Commissioners must meet and approve all budget changes or amendments. At year end, all appropriations lapse. Budget amounts were adopted for the year ended December 31, 2019 on November 14, 2018 and amended on September 25, 2019.

Jackson Parish Communication District
Jonesboro, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Jackson Parish Communication District may deposit funds in demand deposits in stock-owned federally insured depository institutions organized under the laws of the state of Louisiana or of any other state of the United States, or under the laws of the United States. The District may invest in certificates and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For the purposes of the statement of cash flows, cash equivalents include all highly liquid investments with a maturity date of 90 days or less when purchased.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. Those with maturities of 90 days or less would be classified as cash equivalents and all other reported as investments.

H. Investments

The Jackson Parish Communication District's investments comply with Louisiana Revised Statute 33:2955. Under state law, the District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes and bills, or government-backed agency securities or certificates, and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These deposits are classified as investments if their original maturities exceed 90 days. Investments are stated at fair value except for those which are permitted under GASB Statement No. 31 to use a different valuation measurement.

In accordance with paragraph 69 of GASB Statement No. 72, the District reports at amortized cost money market investments and participating interest-bearing investment contracts that have a remaining maturity at the time of purchase of one year or less. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

I. Capital Assets

Capital assets, which include property, plant, and equipment, are recorded in the governmental column of the government-wide financial statements, but are not reported in the governmental fund financial statements. Acquisitions of property and equipment are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

Improvements and replacements of property and equipment are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reported in the Statement of Activities.

Furniture, fixtures, equipment	5-10 years
Motor vehicles - fire trucks	15 years
Buildings	40 years

Jackson Parish Communication District
Jonesboro, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

J. Compensated Absences

There are no accumulated and vested benefits relating to vacation and sick leave as the District has no full-time employees.

K. Estimates

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

2. Cash, Cash Equivalents, and Investments

At December 31, 2019, the District had cash and cash equivalents (book balances) totaling \$226,482. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

At December 31, 2019, the District had \$226,482 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 federal deposit insurance, and \$230,739 of pledged securities held in a Federal Reserve pledge account. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 30:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. Louisiana R.S. 39:1224 requires bonds, or other such instruments furnished as security, to be deposited with the depositing authority or with an unaffiliated bank or trust company, Federal Reserve Bank, or any Federal Home Loan Bank or its successor. This security is deemed to be under the control and in the possession of the public entity and deemed to be held in its name. The Jackson Parish Communication District has complied with these requirements of state law.

At December 31, 2019, the District had investments of \$439,563. These deposits are secured from risk by \$250,000 federal deposit insurance, and \$251,184 of pledged securities held in a Federal Reserve pledge account.

Cash and investments are categorized to give an indication of the level of risk assumed by the District at December 31, 2019. Deposits are considered to be exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the the pledging financial institution's trust department or agent but not in the depositor-government's name. The Jackson Parish Communication District has cash and cash equivalents that are covered by \$500,000 of federal depository insurance. The remaining balance is exposed to custodial credit risk because it is uninsured and collateralized with securities held by the pledging financial institution.

3. Receivables

The Jackson Parish Communication District had receivables of \$25,732 at December 31, 2019.

Jackson Parish Communication District
Jonesboro, Louisiana

Notes to the Financial Statements
As of and for the year ended December 31, 2019

4. Capital Assets

A summary of changes in capital assets for the year ended 12/31/19, is as follows:

	Balance, January 01, 2019	Additions	Deletions	Balance, December 31, 2019
Capital assets being depreciated				
Vehicles	\$ 18,539	\$ -	\$ -	18,539
Equipment	128,902	89,968	-	218,870
Total capital assets being depreciated	147,441	89,968	-	237,409
Less accumulated depreciation				
Vehicles	18,539	-	-	18,539
Equipment	128,902	5,248	-	134,150
Total accumulated depreciation	147,441	5,248	-	152,689
Capital assets, net	<u>\$ -</u>	<u>\$ 84,720</u>	<u>\$ -</u>	<u>84,720</u>

5. Payables

The Jackson Parish Communication District had payables due to vendors of \$2,767 at December 31, 2019.

6. Operating Lease

The District entered into an operating lease with AT&T Louisiana for the installation and use of E911 Public Safety Answering Point equipment and software on June 4, 2013. The lease agreement is for a period of sixty months. The costs associated with the lease agreement include an initial cost of \$195,571 to install the equipment and to train the necessary personnel on the use of the equipment and a monthly lease payment of \$1,506 for continued maintenance and support on the equipment. At the end of the lease, the equipment reverted back to AT&T Louisiana, with no option to purchase. The equipment operating lease expired during the year ended December 31, 2019.

7. Pension Plans

The District contributes to the Social Security System for its part-time employee. The District does not participate in any other pension or retirement plans.

Jackson Parish Communication District
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Notes to the Financial Statements
As of and for the year ended December 31, 2019

8. Landline and Wireless Surcharges

Louisiana Revised Statute 33:9109 authorizes the governing authority of a communication district to levy an emergency telephone surcharge on certain wireless communication systems to pay the costs of implementing FCC ordered enhancements to E911 systems. On July 26, 2000, the Jackson Parish Communication District adopted a resolution requiring each wireless telephone company in Jackson Parish to begin collecting a surcharge on each wireless telephone in Jackson Parish. Implementation of the service is complete for the wireless companies who have responded.

During the year ended December 31, 2017, in accordance with Act No. 665 of the 2016 Legislative Regular Session, the District voted to increase the amount collected for landline and wireless phones. The amount collected on cellphones increased from \$0.85 per phone per month to \$1.05 per phone per month. Residential landlines increased from \$0.75 to \$1.00 per phone per month, and business landlines increased from \$1.50 to \$2.50 per phone per month. The amount collected for voice over IP is \$1.00 per phone per month.

During the year ended December 31, 2019, the District received \$48,514 from landline telephone providers.

During the year ended December 31, 2019, the District received \$148,313 of revenues derived from the emergency telephone surcharge on wireless communication systems. The funds received will be used for maintaining the wireless E911 systems.

9. Risk Management and Economic Dependency

The District is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To handle such risk of loss, the District maintains commercial insurance policies covering automobile liability and uninsured motorist, surety bond coverage, flood insurance, and property insurance. In addition to the above policies, the District maintains a general liability policy and an errors and omissions policy. No claims were paid on any of the policies during the past three years, which exceeded the policies' coverage amount.

10. Litigation and Claims

At December 31, 2019, the District was not involved in any lawsuits nor is aware of any outstanding claims, which are not covered by insurance.

11. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 15, 2020, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY
INFORMATION

Jackson Parish Communication District
Jonesboro, Louisiana

Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2019

	Budget - Original	Budget - Final	Actual	Variance Favorable (Unfavorable)
Revenues				
Charges for services	192,000	191,000	196,827	5,827
Total revenues	<u>192,000</u>	<u>191,000</u>	<u>196,827</u>	<u>5,827</u>
Expenditures				
Current:				
Public safety				
Personnel services	23,300	25,900	25,836	64
Supplies	2,300	5,300	5,403	(103)
Utilities	8,000	7,800	7,419	381
Repairs and maintenance	12,000	11,000	7,471	3,529
Contractual services	48,200	36,800	36,145	655
Miscellaneous	300	300	-	300
Insurance	8,000	7,000	6,560	440
Legal and accounting	4,500	4,500	3,606	894
Office	3,800	3,900	3,966	(66)
Training, education, and travel	2,500	2,000	779	1,221
Capital outlay	20,000	112,000	89,968	22,032
Total expenditures	<u>132,900</u>	<u>216,500</u>	<u>187,153</u>	<u>29,347</u>
Excess (deficiency) of revenues over (under) expenditures	<u>59,100</u>	<u>(25,500)</u>	<u>9,674</u>	<u>35,174</u>
Other financing sources (uses)				
Interest earnings	4,200	5,500	6,765	1,265
Miscellaneous	100	100	148	48
Total other financing sources (uses)	<u>4,300</u>	<u>5,600</u>	<u>6,913</u>	<u>1,313</u>
Net changes in fund balances	63,400	(19,900)	16,587	36,487
Fund balances - December 31, 2018	<u>672,425</u>	<u>672,425</u>	<u>672,425</u>	<u>-</u>
Fund balances - December 31, 2019	<u>\$ 735,825</u>	<u>\$ 652,525</u>	<u>\$ 689,012</u>	<u>\$ 36,487</u>

See accompanying notes and independent accountant's review report.

SUPPLEMENTAL INFORMATION

Jackson Parish Communication District
Jonesboro, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the year ended December 31, 2019

Glen McBride Director	
Salary	\$ 24,000
Conference registration and dues	142
Reimbursements	<u>359</u>
	<u>\$ 24,501</u>

Kenneth D. Folden & Co.

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Jackson Parish Communication District
Jonesboro, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Jackson Parish Communication District, a component unit of the Jackson Parish Police Jury, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Jackson Parish Communication District's compliance with certain laws and regulations during the year ended December 31, 2019 included in the accompanying Louisiana Attestation Questionnaire. Management of Jackson Parish Communication District is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$161,550, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The District purchased a radio console and antenna for \$89,968. The District submitted a request for bids to the Jackson Independent on January 30, 2019 and February 7, 2019. A bid was accepted on February 21, 2019.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required name of their sole part-time employee.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The name of the employee provided by management in procedure (3) did not appear on the listing provided by management in procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. The budget was amended once during the year.

6. Trace the budgets adoption and amendments to the minute book.

We traced the adoption of the original budget, for the year ended December 31, 2019, to the minutes of a meeting held on November 14, 2018, which indicated that the budget had been approved by the Board of Commissioners. There was an amendment to the budget on September 25, 2019.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budgets to actual revenues and expenditures. Actual revenues were more than budgeted revenues. Actual expenditures were less than budgeted expenditures.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

The six selected disbursements were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

The six selected disbursements were traced to the District's meeting minutes where they were approved by the Commissioners.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Jackson Parish Communication District posts a notice of each meeting on the door of the building where meetings are held. Additionally, the meeting dates are advertised in the official journal with the prior meeting minutes and posted on the Jackson Parish Police Jury website. Management has informed us that these documents were properly posted and the meetings were advertised.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

We noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

Our report dated December 31, 2018, did not include any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Jackson Parish Communication District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kenneth D. Felden & Co., CPAs

Jonesboro, Louisiana

June 15, 2020

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governments)**

_____ (Date Transmitted)

Kenneth D. Folden & Co., CPAs
302 Eighth Street
Jonesboro, LA 71251

In connection with your audit of our financial statements as of December 31, 2019 and for year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of

April 20, 2020 (date completed/date of the representations).

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No ()

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No ()

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No ()

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No ()

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No ()

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No ()

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No ()

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No ()

