

*Financial Report*

*Lafourche Parish Communications District  
Raceland, Louisiana*

*December 31, 2024 and 2023*



***Financial Report***

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December 31, 2024 and 2023

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## **FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners,  
Lafourche Parish Communications District,  
Raceland, Louisiana.

### **Opinion**

We have audited the accompanying financial statements of the business-type activities of the Lafourche Parish Communications District (the "District"), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the 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 business-type activities of the District as of December 31, 2024 and 2023, and the respective changes in net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of 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 District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **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 opinion. 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 judgment 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 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 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.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 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 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 inquires 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 audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information beginning on page 23 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Status of Implementation of Wireless E911 Service and Schedules of Revenues Derived from the Wireless E911 Service Charge and the Use of Such Revenues, Schedules 1 and 2 on pages 23 through 25, have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2025 on our consideration of the Lafourche Parish Communications District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 District's internal control over financial reporting and compliance



Certified Public Accountants.

Houma, Louisiana,  
April 8, 2025



# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **Lafourche Parish Communications District Raceland, Louisiana**

December 31, 2024 and 2023

The Management's Discussion and Analysis of the Lafourche Parish Communications District's (the "District") financial performance presents a narrative overview and analysis of the District's financial activities for the years ended December 31, 2024 and 2023. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the financial statements which follow in this section.

### **FINANCIAL HIGHLIGHTS**

The District's assets exceeded its liabilities as of December 31, 2024 and 2023 by \$2,857,456 and \$2,977,032 (net position), respectively, which represent a decrease of 4.02% and a decrease of 6.27% from the prior fiscal years.

The District's total revenues increased by \$61,030 (or 3.53%) for year ended December 31, 2024 and decreased by \$157,626 (or 8.37%) for the year ended December 31, 2023.

The District's total expenses decreased for the year ended December 31, 2024 by \$18,699 (or 0.97%) primarily due to decreases in other services and charges and repairs and maintenance. The District's expenses increased by \$50,477 (or 2.69%) for the year ended December 31, 2023 primarily due to increases in personal services and other services and charges.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This financial report consists of four parts: (1) management's discussion and analysis; (2) financial statements; (3) supplementary information; and (4) special reports by certified public accountants and management. The financial statements also include notes to the financial statements, which explain some of the information in the financial statements in more detail.

## **REQUIRED FINANCIAL STATEMENTS**

The financial statements of the District report information about the District using accounting methods similar to those used by private sector businesses. These statements offer short-term and long-term financial information about its activities. The Statements of Net Position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the year's revenues and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the year and can be used to determine whether the District has successfully recovered all its costs through its fees and other charges, profitability and credit worthiness. The final required financial statement is the Statements of Cash Flows. The primary purpose of this statement is to provide information about the District's cash receipts and cash payments throughout the year. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities.

## **FINANCIAL ANALYSIS OF THE DISTRICT**

The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position report information in a way that the reader can determine if the District is in a better financial position as a result of the year's activities. These statements report the net position of the District and changes in them. The net position (difference between assets and liabilities) can be used to measure financial health or financial position. Over time, increases and decreases in the District's net position are one indicator as to whether its financial health is improving or deteriorating. There are other non-financial factors to consider, such as changes in economic conditions, population growth, new or changed government legislation and technology changes.

## **NET POSITION**

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. As of December 31, 2024 and 2023, assets exceeded liabilities by \$2,857,456 and \$2,977,032, respectively. A significant portion of the District's net position (91.46%) as of December 31, 2024 and (91.39%) as of December 31, 2023 reflects its investment in capital assets (e.g., construction in progress, building and improvements; office furniture, fixtures and equipment; machinery and equipment) net of related debt. Consequently, these assets are not available for future spending.

**NET POSITION (Continued)****Condensed Statements of Net Position**

	December 31,		
	2024	2023	2022
Current and other assets	\$ 318,609	\$ 312,245	\$ 345,172
Capital assets	2,743,235	2,920,564	3,137,536
Total assets	3,061,844	3,232,809	3,482,708
Long-term liabilities			
outstanding	130,000	200,000	265,000
Other liabilities	74,388	55,777	41,371
Total liabilities	204,388	255,777	306,371
Net position:			
Net investment in capital			
assets	2,613,235	2,720,564	2,872,536
Unrestricted	244,221	256,468	303,801
Total net position	\$ 2,857,456	\$ 2,977,032	\$ 3,176,337

**Condensed Statements of Revenues, Expenses, and Changes in Net Position**

	For the years ended December 31,			Percent Change	
	2024	2023	2022	2024-2023	2023-2022
Operating revenues	\$ 1,786,048	\$ 1,723,312	\$ 1,800,957	3.64%	-4.31%
Non-operating revenues	1,675	3,381	83,362	-50.46%	-95.94%
Total revenues	1,787,723	1,726,693	1,884,319	3.53%	-8.37%
Depreciation expense	215,933	216,972	195,194	-0.48%	11.16%
Other operating expense	1,682,423	1,701,117	1,633,676	-1.10%	4.13%
Non-operating expense	8,943	7,909	46,651	13.07%	-83.05%
Total expenses	1,907,299	1,925,998	1,875,521	-0.97%	2.69%
Increase (decrease) in net position	(119,576)	(199,305)	8,798	-40.00%	-2365.34%
Net position beginning of year	2,977,032	3,176,337	3,167,539	-6.27%	0.28%
Net position end of year	\$ 2,857,456	\$ 2,977,032	\$ 3,176,337	-4.02%	-6.27%

The Statements of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of changes in net position.

During fiscal year 2024, charges for services increased by \$59,254 from 2023 due to new customers receiving emergency 911 services. There was a \$15,924 decrease in other services and charges expenditures mostly due to a decrease in maintenance contracts.

**NET POSITION (Continued)**

During fiscal year 2023, charges for services decreased by \$63,327 from 2022 due to less customers using home phone services. There was a \$57,862 increase in personal services expenditures mostly due to an increase in insurance rates, merit raises, and staffing changes.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The District's investment in capital assets as of December 31, 2024, 2023, and 2022 amounts to \$2,743,235, \$2,920,564, and \$3,137,536, respectively (net of accumulated depreciation). This investment includes construction in progress, building, office furniture, equipment, and fixtures, machinery and equipment, and other capital assets.

	December 31,		
	2024	2023	2022
<b>Capital Assets</b>			
Building	\$ 3,329,120	\$ 3,329,120	\$ 3,329,120
Office furniture, equipment and fixtures	165,148	165,148	165,148
Machinery and equipment	1,236,551	1,197,947	1,197,947
Other	125,164	125,164	125,164
	<u>4,855,983</u>	<u>4,817,379</u>	<u>4,817,379</u>
Less: accumulated depreciation	<u>(2,112,748)</u>	<u>(1,896,815)</u>	<u>(1,679,843)</u>
Totals	<u>\$ 2,743,235</u>	<u>\$ 2,920,564</u>	<u>\$ 3,137,536</u>

Major capital asset events during 2024 included the following:

- Machinery and equipment purchase of desktop computer monitors, software, an access control system, and Microsoft Windows server kits.

In 2023 there were no major changes to capital assets.

Additional information on the District's capital assets can be found in Note 3, Exhibit D of this report.

**Long-Term Debt**

Long-term debt outstanding consists of special revenue bonds. As of December 31, 2024, the District had \$130,000 in special revenue bonds outstanding as compared to \$200,000 in the prior year which is a decrease of \$70,000, the amount of principal payment on the 2016 outstanding bonds. As of December 31, 2023, the District had \$200,000 in special revenue bonds outstanding as compared to \$265,000 in the prior year which is a decrease of \$65,000, the amount of principal payments on the 2016 outstanding bonds. More detailed information about the District's long-term debt is presented in Note 5, Exhibit D of this report.

### **ECONOMIC FACTORS AFFECTING NEXT YEAR'S BUDGET**

The District is not required by state law to prepare a budget, however a budget is completed for bond indenture purposes. When setting the 2025 budget, the District's Board of Commissioners and management considered many factors such as anticipated revenues and costs of operations.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Lafourche Parish Communications District, P.O. Box 1157, Raceland, LA 70394.

**STATEMENTS OF NET POSITION****Lafourche Parish Communications District**

Raceland, Louisiana

December 31, 2024 and 2023

**ASSETS**

	<u>2024</u>	<u>2023</u>
<b>Current</b>		
Cash and cash equivalents	\$ 85,188	\$ 82,953
Accounts receivable	228,884	216,296
Prepaid maintenance	<u>4,537</u>	<u>12,996</u>
Total current assets	318,609	312,245
<b>Capital Assets</b>		
Depreciable, net	<u>2,743,235</u>	<u>2,920,564</u>
Total assets	<u>3,061,844</u>	<u>3,232,809</u>

**LIABILITIES**

<b>Current</b>		
Accounts payable and accrued expenses	74,388	55,777
Bonds payable within one year	<u>70,000</u>	<u>70,000</u>
Total current liabilities	<u>144,388</u>	<u>125,777</u>
<b>Long-term</b>		
Bonds payable after one year	<u>60,000</u>	<u>130,000</u>
Total liabilities	<u>204,388</u>	<u>255,777</u>

**NET POSITION**

<b>Net Position</b>		
Net investment in capital assets	2,613,235	2,720,564
Unrestricted	<u>244,221</u>	<u>256,468</u>
Total net position	<u>\$ 2,857,456</u>	<u>\$ 2,977,032</u>

See notes to financial statements.

**STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION**

**Lafourche Parish Communications District**  
Raceland, Louisiana

For the years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 1,780,464	\$ 1,721,210
Other operating revenues	<u>5,584</u>	<u>2,102</u>
Total operating revenues	<u>1,786,048</u>	<u>1,723,312</u>
<b>OPERATING EXPENSES</b>		
Personal services	870,416	869,861
Supplies and materials	13,074	11,237
Other services and charges	714,363	730,287
Repairs and maintenance	84,570	89,732
Depreciation	<u>215,933</u>	<u>216,972</u>
Total operating expenses	<u>1,898,356</u>	<u>1,918,089</u>
Operating loss	<u>(112,308)</u>	<u>(194,777)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income	1,675	3,381
Interest expense	<u>(8,943)</u>	<u>(7,909)</u>
Non-operating revenues (expenses), net	<u>(7,268)</u>	<u>(4,528)</u>
<b>CHANGE IN NET POSITION</b>	(119,576)	(199,305)
<b>NET POSITION</b>		
Beginning of year	<u>2,977,032</u>	<u>3,176,337</u>
End of year	<u><u>\$ 2,857,456</u></u>	<u><u>\$ 2,977,032</u></u>

See notes to financial statements.

**STATEMENTS OF CASH FLOWS****Lafourche Parish Communications District**  
Raceland, Louisiana

For the years ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 1,773,460	\$ 1,731,926
Cash payments to suppliers for goods and services	(785,203)	(834,302)
Cash payments to employees for services and benefits	(869,392)	(855,284)
Net cash provided by operating activities	<u>118,865</u>	<u>42,340</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(38,604)	-
Principal paid on outstanding debt	(70,000)	(65,000)
Interest paid on outstanding debt	(9,701)	(8,613)
Net cash used in capital and related financing activities	<u>(118,305)</u>	<u>(73,613)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<u>1,675</u>	<u>3,381</u>
Net increase (decrease) in cash and cash equivalents	2,235	(27,892)
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>82,953</u>	<u>110,845</u>
End of year	<u>\$ 85,188</u>	<u>\$ 82,953</u>



	<u>2024</u>	<u>2023</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating loss	<u>\$ (112,308)</u>	<u>\$ (194,777)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	215,933	216,972
Decrease (increase) in assets:		
Accounts receivable	(12,588)	8,614
Prepaid maintenance	8,459	(3,579)
Decrease in liabilities:		
Accounts payable and accrued expenses	<u>19,369</u>	<u>15,110</u>
Total adjustments	<u>231,173</u>	<u>237,117</u>
Net cash provided by operating activities	<u><u>\$ 118,865</u></u>	<u><u>\$ 42,340</u></u>

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Lafourche Parish Communications District**  
Raceland, Louisiana

December 31, 2024 and 2023

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Lafourche Parish Communications District (the "District") conform to accounting principles generally accepted in the United States of America 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 following is a summary of significant accounting policies:

**a) Nature of Activities**

The District assesses a fixed monthly service charge to customers of local telephone and wireless communication companies providing service in Lafourche Parish, Louisiana. The companies collect the charge then remit those collections to the District. The District uses this service charge to run an emergency 911 system.

**b) Reporting Entity**

The District was formed by an Act of the State Legislature on July 14, 1983. A board was appointed by the Lafourche Parish Council and became effective on October 5, 1989.

The District is a component unit of the Lafourche Parish Council. The District has reviewed all of its activities and based on established criteria, determined that there are no potential component units which should be included in the financial statements.

**c) Method of Accounting**

The District's financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position and a statement of cash flows. Net position is classified into three components - net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c) Method of Accounting (Continued)**

- Net investment in capital assets - This component of net position consists of 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 those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Restricted - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There were no restricted balances as of December 31, 2024 and 2023.
- Unrestricted - This component of net position consists of resources that do not meet the definition of “restricted” or “net investment in capital assets”.

The financial statements of the District are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

**d) Use of Estimates**

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

**e) Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the District considers cash and cash equivalents to include amounts in checking accounts and investments with maturities of three months or less at purchase.

**f) Accounts Receivable**

The financial statements of the District contain no allowance for uncollectible accounts receivable. Management believes that accounts receivable as of December 31, 2024 and 2023 are collectible and an allowance for doubtful accounts is not necessary.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**g) Prepaid Maintenance**

Prepaid maintenance consists of the cost of maintaining hardware and software of the 911 communication system. The contracts are for five year terms with payments made in advance and amortized ratably over the term of the contract.

**h) Capital Assets**

Capital assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair value on the date of donation. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as construction in progress during design and construction and are reported in the appropriate asset classification at completion of the project.

Depreciation of all capital assets, excluding land, and construction in progress is calculated over the estimated useful lives using the straight-line method as follows:

Building and improvements	10 - 40 years
Office furniture, equipment, and fixtures	5 years
Machinery and equipment	5 years
Vehicle	5 years
Other	5 years

**i) Vacation and Sick Leave**

Vacation and sick leave are determined by length of service for full-time employees as follows:

2 - 3 years	1 week vacation and 1 week sick leave
3 - 9 years	2 weeks vacation and 2 weeks sick leave
10 years or more	3 weeks vacation and 3 weeks sick leave

Vacation must be used by the end of the year. Unused vacation is paid to employees upon termination of employment; unused sick leave is not paid. Sick leave does accumulate however; unused leave cannot exceed 240 hours. The accumulated balance of unpaid vacation leave as of December 31, 2024 and 2023 was \$23,143 and \$24,970, respectively, and is included in accounts payable and accrued expenses on the Statements of Net Position.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**j) Revenues and Expenses**

Operating revenue and expenses consists of those revenues and expenses that result from the ongoing operations of the District. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions or ancillary activities.

When an expense is incurred for purposes for which there are both restricted and unrestricted net position available, it is the District's policy to apply those expenses to restricted assets to the extent such are available and then to unrestricted net position. As of December 31, 2024 and 2023, the District had no restricted net position.

**k) New GASB Statements**

During the year ending December 31, 2024, the District implemented the following GASB Statements:

Statement No. 99, "*Omnibus 2022*" provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. This Statement did not affect the financial statements for the year ended December 31, 2024.

Statement No. 100, "*Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*" provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement did not affect the financial statements for the year ended December 31, 2024.

Statement No. 101, "*Compensated Absences*" provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement did not affect the financial statements for the year ended December 31, 2024.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) New GASB Statements (Continued)**

The GASB has issued the following statements which will become effective in future years as shown below:

Statement No. 102, "*Certain Risk Disclosures*" defines concentrations and constraints. The Statement also requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 103, "*Financial Reporting Model Improvements*" provides objectives to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 104, "*Disclosure of Certain Capital Assets*" provides users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in Statement No. 87, and intangible right-to-use assets recognized in accordance with Statement No. 94, should be disclosed separately by major class of underlying asset in the capital asset note disclosure. Subscription assets recognized in accordance with Statement No. 96 also should be separately disclosed. This Statement also requires additional disclosure for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**l) Subsequent Events**

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through April 8, 2025, which is the date the financial statements were available to be issued.

**Note 2 - DEPOSITS**

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

**Bank Deposits:**

State law requires deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

The balances of deposits for bank balances and reported amounts as of December 31, 2024 and 2023 are as follows:

	2024		2023	
	Bank Balances	Report Amount	Bank Balances	Report Amount
Cash	<u>\$ 74,151</u>	<u>\$ 85,188</u>	<u>\$ 139,848</u>	<u>\$ 82,953</u>

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a written policy for custodial credit risk, which complies with state law. As of December 31, 2024, none of the District's bank balances of \$74,151 was exposed to custodial credit risk. These deposits were insured with FDIC insurance.

**Note 3 - CHANGES IN CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2024 was as follows:

	Balance January 1, 2024	Additions	Deletions	Balance December 31, 2024
Capital assets being depreciated:				
Building and improvements	\$ 3,329,120	\$ -	\$ -	\$ 3,329,120
Office furniture, equipment, and fixtures	165,148	-	-	165,148
Machinery and equipment	1,197,947	38,604	-	1,236,551
Other	125,164	-	-	125,164
Total capital assets being depreciated	<u>4,817,379</u>	<u>38,604</u>	<u>-</u>	<u>4,855,983</u>
Less accumulated depreciation for:				
Building and improvements	(1,027,015)	(84,152)	-	(1,111,167)
Office furniture, equipment, and fixtures	(147,401)	(7,140)	-	(154,541)
Machinery and equipment	(608,059)	(120,002)	-	(728,061)
Other	(114,340)	(4,639)	-	(118,979)
Total accumulated depreciation	<u>(1,896,815)</u>	<u>(215,933)</u>	<u>-</u>	<u>(2,112,748)</u>
Total capital assets being depreciated, net	<u>\$ 2,920,564</u>	<u>\$ (177,329)</u>	<u>\$ -</u>	<u>\$ 2,743,235</u>



**Note 3 - CHANGES IN CAPITAL ASSETS (Continued)**

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023	Additions	Deletions	Balance December 31, 2023
Capital assets being depreciated:				
Building and improvements	\$ 3,329,120	\$ -	\$ -	\$ 3,329,120
Office furniture, equipment, and fixtures	165,148	-	-	165,148
Machinery and equipment	1,197,947	-	-	1,197,947
Other	125,164	-	-	125,164
Total capital assets being depreciated	<u>4,817,379</u>	<u>-</u>	<u>-</u>	<u>4,817,379</u>
Less accumulated depreciation for:				
Building and improvements	(942,864)	(84,151)	-	(1,027,015)
Office furniture, equipment, and fixtures	(138,988)	(8,413)	-	(147,401)
Machinery and equipment	(488,290)	(119,769)	-	(608,059)
Other	(109,701)	(4,639)	-	(114,340)
Total accumulated depreciation	<u>(1,679,843)</u>	<u>(216,972)</u>	<u>-</u>	<u>(1,896,815)</u>
Total capital assets being depreciated, net	<u>\$ 3,137,536</u>	<u>\$ (216,972)</u>	<u>\$ -</u>	<u>\$ 2,920,564</u>

**Note 4 - ACCOUNTS PAYABLE AND ACCRUED EXPENDITURES**

Accounts payable and accrued expenditures as of December 31, 2024 and 2023 consisted of the following:

	2024	2023
Accounts payable	\$ 33,403	\$ 15,058
Payroll and related expenses	39,468	38,444
Interest on long-term debt	<u>1,517</u>	<u>2,275</u>
Totals	<u>\$ 74,388</u>	<u>\$ 55,777</u>

**Note 5 - LONG-TERM DEBT**

On September 23, 2016, the District issued \$600,000 of Special Revenue Bonds, Series 2016. The serial bonds carry interest rates of 3.25% and are repayable through September 1, 2026 primarily from charges for services. Charges for services, \$1,780,464 for the year ended December 31, 2024, are pledged for payment of the bonds.

The following is a summary of the bond transactions of the District for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Bonds payable, beginning of year	\$ 200,000	\$ 265,000
Bonds retired	<u>(70,000)</u>	<u>(65,000)</u>
Bonds payable, end of year	<u><u>\$ 130,000</u></u>	<u><u>\$ 200,000</u></u>

The annual requirements to amortize all long-term debt outstanding as of December 31, 2024 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2025	\$ 70,000	\$ 4,550	\$ 74,550
2026	<u>60,000</u>	<u>2,275</u>	<u>62,275</u>
Totals	<u><u>\$ 130,000</u></u>	<u><u>\$ 6,825</u></u>	<u><u>\$ 136,825</u></u>

**Note 6 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to workers compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. No settlements were made during the year that exceeded the District's insurance coverage.

**Note 7 - EMPLOYEE RETIREMENT PLAN**

The District contributes to a Simple IRA Group Plan (the "Plan"), a defined contribution pension plan, for its full-time employees. The Plan is administered by America Funds. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the District's Board of Directors. For each employee in the Plan, the District is required to make matching contributions, up to 3% of annual salary to an individual employee account. Employees are permitted to make contributions to the Plan, up to the applicable Internal Revenue Code limits, \$16,000 for 2024 and \$15,500 for 2023. For the years ended December 31, 2024 and 2023, employee contributions totaled \$26,858 and \$30,458, respectively, and the District recognized pension expense of \$13,600 and \$16,469, respectively.

**Note 7 - EMPLOYEE RETIREMENT PLAN (Continued)**

Employees are immediately vested in their own contributions and earnings on those contributions and in District contributions and earnings on District contributions when made.

As of December 31, 2024 and 2023, the District did not report a liability to the Plan.

**Note 8 - COMMITMENTS**

The Federal Communications Commission (FCC) and the Louisiana State Legislature have issued rulings and statutes requiring wireless telecommunication providers to provide the number and location of the caller to the communications district when a caller accesses 911. State statutes require the caller location service to be operating within one year of collecting a consumer fee for the service.

The District implemented the rulings and has begun collecting the service charges from all providers effective January 1, 2000. Proceeds from the consumer service charges for the years ended December 31, 2024 and 2023 were \$1,316,461 and \$1,274,102, respectively. These consumer charges shall be used for the payment of District costs associated with system implementation.

**Note 9 - COMPENSATION OF BOARD OF COMMISSIONERS**

No compensation was paid to members of the Board of Commissioners for the years ended December 31, 2024 and 2023.

## **SUPPLEMENTARY INFORMATION SECTION**

**STATUS OF IMPLEMENTATION OF WIRELESS E911 SERVICE****Lafourche Parish Communications District**

Raceland, Louisiana

December 31, 2024

(Unaudited)

The Louisiana State Legislature has enacted Act 655 (the "Act"), to amend and reenact Louisiana Revised Statutes 33:9101, 9102, 9103, 9105, 9106, and 9109 relatives to communication districts. The Act, effective August 1, 2016, authorizes Louisiana Communication Districts to establish, by resolution of the Board of Commissioners, the ability to collect an emergency telephone service charge in the amount of \$1.25 per wireless user per month levied on wireless users of Commercial Mobile Radio Service (CMRS) who can access the 911 emergency telephone number system. Phase One requires CMRS carriers to implement locational services and have the capability to assign wireless calls usable numbers for callback and forwarding uninterrupted calls.

The purpose of the Act is to provide a funding mechanism to cover the costs of implementing enhancements to the emergency 911 telephone system for cellular and other wireless telephone users as provided by the Federal Communications Commission in Matter #94-102. Enhancements will automatically provide the wireless telephone number and wireless tower location of the wireless caller to the District when a caller accesses the 911 system. Although these enhancements currently exist for persons dialing from "landline telephones", certain technological enhancements must be made in order to provide this information from wireless devices. The districts are required to negotiate and enter into a cooperative endeavor agreement provided for by the Act with each CMRS carrier to ensure that the service charge is collected, remitted and the service enhancements are implemented. For any district having a population of not less than thirty thousand persons as of the most recent federal decennial census, the enhancements shall be completed by the District and all of the CMRS carriers providing service within the District within one year of the initial levy of the service charge. Proceeds received shall be used for payment of CMRS carrier and district costs associated with the implementation of Phase One. Any funds collected in excess of those necessary to pay costs of such enhancements may be expended for any lawful purpose of the District.

The District notified each CMRS carrier by certified letter of the adoption by the Board of Commissioners of Resolution No. 99-09-01 which levied an emergency telephone service charge of \$0.85 per month per wireless CMRS connection as of January 1, 2000. The District then sent a letter to each CMRS carrier concerning signing a cooperative endeavor agreement. The District has completed cooperative endeavor agreements with all CMRS carriers. The District notified each CMRS carrier of the adoption by the Board of Commissioners of Resolution No. 2016-07-001 which increased the emergency telephone service charge to \$1.25 per month per wireless CMRS connection effective September 1, 2016.

The CMRS carriers have been remitting the wireless E911 service charges collected from the CMRS connections (customers) beginning January 1, 2000, accordingly the District has continued reimbursement of implementation costs. Reimbursements for implementation cost have been minimal since 2007.

The District is Phase One and Phase Two compliant with all CMRS carriers as of January 2007.

The District is recovering part of the costs of additional staff hired to handle additional call volume with the wireless revenues, as well as recover other costs related to the new wireless requirements. Other wireless costs include the service charge that is assessed by the CMRS carriers based on the cost of updating their technology to implement the enhancement phase. The schedule of wireless revenues and use of wireless revenues can be found in Schedule 2 as required by the Act.

Phase Two requires the District and all carriers to achieve “the capability to identify the latitude and longitude of a mobile unit making a 911 call within the radius of no more than 125 meters in 67% of all cases”. No cost recovery was deemed necessary for Phase Two compliance. As of January 12, 2007, all CMRS carriers, as well as the District, were Phase Two compliant.

**SCHEDULES OF REVENUES DERIVED FROM THE**  
**WIRELESS E911 SERVICE CHARGE AND**  
**THE USE OF SUCH REVENUES**

**Lafourche Parish Communications District**  
Raceland, Louisiana

For the years ended December 31, 2024 and 2023

(Unaudited)

	<u>2024</u> <u>Wireless</u>	<u>2023</u> <u>Wireless</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 1,312,522	\$ 1,267,359
Other operating revenues	5,293	2,016
Total operating revenues	<u>1,317,815</u>	<u>1,269,375</u>
<b>OPERATING EXPENSES</b>		
Personal services	825,026	820,376
Supplies and materials	12,392	10,778
Other services and charges	678,557	715,564
Repairs and maintenance	79,354	86,064
Depreciation	<u>204,673</u>	<u>208,104</u>
Total operating expenses	<u>1,800,002</u>	<u>1,840,886</u>
Operating loss	<u>\$ (482,187)</u>	<u>\$ (571,511)</u>

Note:

Allocation of wireless operating expenses was determined by applying the percentage of wireless calls to total calls to the operating expenses described in the Statements of Revenue, Expenses, and Changes in Net Position. For the years ended December 31, 2024 and 2023, other services and charges included Phase one implementation costs totaling \$27,718 and \$29,209, respectively. The remaining costs were allocated. Revenues from charges for services are based on actual reported revenues for wireless services. The number of total calls and wireless calls was furnished by the District's management.

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

**Lafourche Parish Communications District  
Raceland, Louisiana**

For the year ended December 31, 2024

**Agency Head Name:** Katie Zeringue, Administrator

<b>Purpose</b>	
Salary	\$ 85,282
Benefits - insurance	22,022
Benefits - retirement	2,638
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	554
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<hr/>
	<u>\$ 110,496</u>



**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners,  
Lafourche Parish Communications District,  
Raceland, 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 business-type activities of the Lafourche Parish Communications District (the “District”), State of Louisiana, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated April 8, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

### **Purpose of this Report**

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

*Bougeois Bennett, LLC.*

Certified Public Accountants.

Houma, Louisiana,  
April 8, 2025.

## **SCHEDULE OF FINDINGS AND REPOSSES**

### **Lafourche Parish Communications District Raceland, Louisiana**

For the year ended December 31, 2024

#### **Section I - Summary of Auditor's Results**

##### **a) Financial Statements**

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified that are  
not considered to be a material weakness? \_\_\_\_\_ Yes   X   None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

##### **b) Federal Awards**

Lafourche Parish Communications District did not expend federal awards in excess of \$750,000 during the year ended December 31, 2024.

#### **Section II - Financial Statement Findings**

No financial statement findings were reported during the audit for the year ended December 31, 2024.

#### **Section III - Federal Award Findings and Questioned Costs**

Not applicable.

## **REPORTS BY MANAGEMENT**

## **SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES**

### **Lafourche Parish Communications District Raceland, Louisiana**

For the year ended December 31, 2024

#### **Section I - Internal Control and Compliance Material to the Financial Statements**

##### **Internal Control**

No material weaknesses were reported during the audit for the year ended December 31, 2023.

No significant deficiencies were reported during the audit for the year ended December 31, 2023.

##### **Compliance**

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2023.

#### **Section II - Internal Control and Compliance Material to Federal Awards**

Lafourche Parish Communications District did not expend federal awards in excess of \$750,000 during the year ended December 31, 2023.

#### **Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended December 31, 2023.

# **MANAGEMENT'S CORRECTIVE ACTION PLAN**

## **Lafourche Parish Communications District Raceland, Louisiana**

For the year ended December 31, 2024

### **Section I - Internal Control and Compliance Material to the Financial Statements**

#### **Internal Control**

No material weaknesses were reported during the audit for the year ended December 31, 2024.

No significant deficiencies were reported during the audit for the year ended December 31, 2024.

#### **Compliance**

No compliance findings material to the financial statements were reported during the audit for the year ended December 31, 2024.

### **Section II - Internal Control and Compliance Material to Federal Awards**

Lafourche Parish Communications District did not expend federal awards in excess of \$750,000 during the year ended December 31, 2024.

### **Section III - Management Letter**

A management letter was not issued in connection with the audit for the year ended December 31, 2024.

**STATEWIDE AGREED-UPON PROCEDURES**



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

To the Board of Commissioners,  
Lafourche Parish Communications District,  
Raceland, Louisiana.

We have performed the procedures described in Schedule 4 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2024 through December 31, 2024. Lafourche Parish Communications District (the "District") management is responsible for those C/C areas identified in the SAUPs.

The 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 the LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 4.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 these 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 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.

*Bouges & Bennett, LLC.*

Certified Public Accountants

Houma, Louisiana,  
April 8, 2025.

**SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS**  
**OF THE STATEWIDE AGREED-UPON PROCEDURES**

**Lafourche Parish Communications District**  
**Raceland, Louisiana**

For the year ended December 31, 2024

The required procedures and our findings are as follows:

**1. Procedures Performed on the District's 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.

Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

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.

Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

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

Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

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).

Performance: Obtained and read the written policy for receipts and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

**1. Procedures Performed on the District's Written Policies and Procedures: (Continued)**

- 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 rates of pay or approval and maintenance of pay rate schedules.  
Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.
- 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.  
Performance: Obtained and read the written policy for contracting.  
Exceptions: There were exceptions noted due to the policy lacking provisions on standard terms and conditions and monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.  
Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.
- 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).  
Performance: Obtained and read the written policy for credit cards.  
Exceptions: There was an exception noted due to the policy lacking a provision on required approvers of statements.
- 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.  
Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.  
Performance: Obtained and read the written policy for debt service and found it to address all the functions listed above.  
Exceptions: There were no exceptions noted.

**1. Procedures Performed on the District's Written Policies and Procedures: (Continued)**

- 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.

Performance: Obtained and read the written policy for information technology disaster recovery/business continuity and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

- 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.

Performance: Obtained and read the written policy for sexual harassment and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

**2. Procedures Performed on the District's Board or Finance Committee**

Prior year testing resulted in no exceptions related to the board or finance committee. Therefore, testing is not required in the current year.

**3. Procedures Performed on the District's Bank Reconciliations**

Prior year testing resulted in no exceptions related to bank reconciliations. Therefore, testing is not required in the current year.

**4. Procedures Performed on the District's Collections (Excluding Electronic Funds Transfers)**

Prior year testing resulted in no exceptions related to collections. Therefore, testing is not required in the current year.

**5. Procedures Performed on the District's Non-Payroll Disbursements (Excluding Card Purchases, Travel Reimbursements, and Petty Cash Purchases)**

Prior year testing resulted in no exceptions related to non-payroll disbursements. Therefore, testing is not required in the current year.

**6. Procedures Performed on the District's Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (cards)**

Prior year testing resulted in no exceptions related to credit cards. Therefore, testing is not required in the current year.

**7. Procedures Performed on the District's Travel and Travel-Related Expense Reimbursements (Excluding Card Transactions)**

Prior year testing resulted in no exceptions related to travel and travel-related expense reimbursements. Therefore, testing is not required in the current year.

**8. Procedures Performed on the District's Contracts**

Prior year testing resulted in no exceptions related to contracts. Therefore, testing is not required in the current year.

**9. Procedures Performed on the District's Payroll and Personnel**

Prior year testing resulted in no exceptions related to payroll and personnel. Therefore, testing is not required in the current year.

**10. Procedures Performed on the District's Ethics**

Prior year testing resulted in no exceptions related to ethics. Therefore, testing is not required in the current year.

**11. Procedures Performed on the District's Debt Service**

Prior year testing resulted in no exceptions related to debt service. Therefore, testing is not required in the current year.

**12. Procedures Performed on the District's Fraud Notice**

Prior year testing resulted in no exceptions related to fraud notice. Therefore, testing is not required in the current year.

**13. Procedures Performed on the District's Information Technology Disaster Recovery/Business Continuity**

Prior year testing resulted in no exceptions related to information technology disaster recovery/business continuity. Therefore, testing is not required in the current year.

**14. Procedures Performed on the District's Prevention of Sexual Harassment:**

Prior year testing resulted in no exceptions related to sexual harassment. Therefore, testing is not required in the current year.

**Management's Overall Response to Exceptions:**

- 1)A(vi) Management will consider adding the required provisions for standard terms and conditions and monitoring to the contracting policy.
- 1)A(viii) Management will consider adding the required provision for required approvers of statements to the credit card policy.