

***River Parishes Transit Authority***  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**DECEMBER 31, 2019 and 2020**

**River Parishes Transit Authority**  
**As of and for the Years Ended December 31, 2019 and 2020**

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**RIVER PARISHES TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

River Parishes Transit Authority (RPTA) is presenting the following discussion and analysis in order to provide an overall review of the financial activities. We encourage readers to consider the information presented here in conjunction with RPTA's financial statements and notes to the basic financial statements in order to enhance their understanding of the financial performance.

**FINANCIAL HIGHLIGHTS**

Our financial statements provide these insights into the results of this year's operations:

- Ending net position was \$351,301 – an increase of \$65,529 from the prior year.
- Operating revenues from fare box collections for the year were \$28,770, a decrease of 18% from the prior year. Operating expenses were \$1,356,790, up slightly by 1% from the prior year; resulting in a loss from operations of \$1,328,020.
- Federal, State and Local grants were \$1,400,632, an increase of \$345,133 from the prior year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual financial report consists of four parts: Management's Discussion and Analysis, the Financial Section, Required Supplementary Information, and Other Supplemental Schedules. The Financial Section also includes notes that explain in more detail some of the information in the financial statements.

The *Basic Financial Statements* - Comparative Statement of Net Position, the Comparative Statement of Revenues, Expenses and Changes in Net Position and the Comparative Statement of Cash Flows provide both long-term and short-term information about the overall financial status. The Comparative Statement of Net Position includes all assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). This financial statement reports net assets and how they have changed. Net assets – the difference between assets and liabilities – are one way to measure financial health, or position. Over time, increases or decreases in net assets are an indicator of whether its financial health is improving or deteriorating, respectively. The Comparative Statement of Net Position also provides the basis for computing rate of return, evaluating the capital structure and assessing liquidity and financial flexibility.

All of the current year's revenue and expenses are accounted for in the Comparative Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of operations over the past year and can be used to determine whether operations have successfully recovered all its costs through user fees and other charges, profitability, and credit worthiness. The final required financial statement is the Comparative Statement of Cash Flows. The primary purpose of this statement is

**RIVER PARISHES TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

to provide information about cash receipts and cash payments during the reporting period. This statement reports cash receipts, cash payments, and net changes in cash resulting for operations, investing and financing activities and provides answers to such questions as where did the cash come from, what was the cash used for, and what was the change in cash balance during the reporting period.

Our auditor has provided assurance in the Independent Auditor's Report, located immediately following this MD&A, that the Basic Financial Statements are fairly stated. The auditor regarding the Required Supplemental Information and the Other Supplemental Schedule is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Financial Report.

RPTA utilizes a proprietary fund type – enterprise fund for reporting. The enterprise fund is the same as a business-type entity.

**FINANCIAL ANALYSIS**

The Statements of Net Position includes all of the assets and liabilities and provides information about the nature and amount of investments in resources and the obligations to creditors. This statement provides the basis for evaluating the capital structure and assessing the liquidity and financial flexibility.

To begin our analysis, a condensed summary of the Statement of Net Position is presented in the table below.

	2020	2019
<b>ASSETS</b>		
Current assets	\$ 289,743	\$ 177,256
Capital assets, net of depreciation	113,457	206,314
Total assets	<u>403,200</u>	<u>383,570</u>
<b>LIABILITIES</b>		
Accounts payable	51,899	97,798
<b>NET POSITION</b>		
Investment in capital assets, net of related debt	113,457	206,314
Unrestricted	237,844	79,458
Total net position	<u>\$ 351,301</u>	<u>\$ 285,772</u>

**RIVER PARISHES TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

Ending net position was \$351,301 – an increase of \$65,529. Of the total net position, \$113,457 or 32% is not available for use as it is an investment in capital assets.

A condensed summary of the Statement of Revenues, Expenses and Changes in Net Position is presented in the table below.

	<b>2020</b>	<b>2019</b>
<b>OPERATING REVENUES</b>	\$ 28,770	\$ 35,120
<b>DIRECT OPERATING EXPENSES</b>		
Administrative	133,317	85,731
Capital / Depreciation	92,857	142,631
Operating	1,130,616	1,113,285
	1,356,790	1,342,187
Income (Loss) from operations	(1,328,020)	(1,307,067)
<b>NONOPERATING REVENUES (EXPENSES)</b>	1,393,549	1,047,985
Increase (Decrease) in Net Position	65,529	(259,082)
<b>NET POSITION-Beginning</b>	285,772	544,854
 <b>NET POSITION-Ending</b>	 \$ 351,301	 \$ 285,772

Operating revenues from fare box collections for the year decreased \$6,350 or 18%. Administrative expenses increased \$47,586 or 55.5%. Operating expenses increased by approximately \$16,791 or 1.5%. Non-operating revenues of Federal, State and Local grants totaled \$1,393,548 as compared to \$1,047,985 from the prior year. The increase in net position from operations for the year was \$65,529.

**BUDGETARY HIGHLIGHTS**

RPTA adopts a Budget no later than December 30<sup>th</sup> of each year. The budget remains in effect the entire year unless it is revised. The current year's original budget was adopted and approved at a meeting on December 12, 2019. The original budget was amended in 2020. A comparison of budget and actual follows:

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>OPERATING REVENUES</b>	\$ 40,000	\$ 28,770	\$ (11,230)
<b>DIRECT OPERATING EXPENSES</b>			
Administrative	89,289	133,317	(44,028)
Capital / Depreciation	140,716	92,857	47,859
Operating	1,149,491	1,130,616	18,875
	1,379,496	1,356,790	22,706
Income (Loss) from operations	(1,339,496)	(1,328,020)	11,476
<b>NONOPERATING REVENUES (EXPENSES)</b>	1,426,005	1,393,548	(32,457)
Increase (Decrease) in Net Position	86,509	65,528	(20,981)
<b>NET POSITION-Beginning</b>	285,772	285,772	-
<b>NET POSITION-Ending</b>	\$ 372,281	\$ 351,300	\$ (20,981)

**RIVER PARISHES TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

There was an unfavorable variance in fare box revenues due to pandemic shut downs and administrative expenses due to underestimating the actual expenses incurred.

**CAPITAL ASSETS**

A summary of capital assets for the year is as follows:

	Balance 12/31/2020	Balance 12/31/2019
<b>DEPRECIABLE ASSETS:</b>		
<u>COST</u>		
Computer Hardware	\$ 11,876	\$ 11,876
Fareboxes	5,014	5,014
Security equipment	26,305	26,305
Signal Communications Equip	48,959	48,959
Vehicles	685,790	685,790
Furniture & Fixtures	12,118	12,118
Total cost of depreciable assets	790,063	790,063
<u>ACCUMULATED DEPRECIATION</u>		
Computer Hardware	11,877	11,274
Fareboxes	5,014	5,014
Security equipment	26,229	25,982
Signal Communications Equip	42,435	38,881
Vehicles	580,771	493,790
Furniture & Fixtures	10,280	8,810
Total accumulated depreciation	676,606	583,749
Net capital assets	\$ 113,457	\$ 206,314

There were no additions and no deletions to capital assets in the current year.

Depreciation expense was recorded in various categories as follows:

Computer Hardware	\$ 604
Security equipment	247
Signal Communications Equip	3,554
Vehicles	86,981
Furniture & Fixtures	1,470
Total depreciation	\$92,857

**RIVER PARISHES TRANSIT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

The beginning net book value of capital assets was \$206,314. Accumulated depreciation of \$676,606 deducted from the cost of \$790,063 resulted in the ending net book value of capital assets of \$113,457.

Additional detailed information about capital assets is presented in Note 6 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Board adopted and approved the original 2021 Budget at a meeting on December 10, 2020 as summarized below:

	<b>2021 Budget</b>
<b>OPERATING REVENUES</b>	\$ 29,000
<b>DIRECT OPERATING EXPENSES</b>	
Administrative	8,140
Capital / Depreciation	0
Operating	<u>1,330,063</u>
	<u>1,338,203</u>
Income (Loss) from operations	(1,309,203)
<b>NONOPERATING REVENUES (EXPENSES)</b>	<u>1,194,975</u>
Increase (Decrease) in Net Assets	<u>\$ (114,228)</u>

**CONTACTING MANAGEMENT**

This Annual Financial Report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of our finances and to demonstrate accountability for the money we receive. If you have questions about this report or need additional financial information, contact:

Mr. Corey Fauchaux, Chairman  
 PO Box 2444  
 LaPlace, LA 70069-2444  
 985-851-2900

# ***FINANCIAL SECTION***





# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## ***Independent Auditor's Report***

To the Board Members of the  
River Parish Transit Authority

### **Report on Financial Statements**

We have audited the accompanying financial statements of the business-type activities of River Parish Transit Authority, as of and for the years ended December 31, 2019 and 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the River Parish Transit Authority as of December 31, 2019 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis as listed in the foregoing table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for the purposes of additional analysis and is not a required part of the basic financial statements.



The Schedule of Compensation, Benefits, and Other Payments to Agency Head and the Schedule of Expenditures of Federal Awards are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information, directly to the underlying accounting and other records used to prepare the financial statements or to the 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 taken as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued a report dated June 18, 2021, on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

*Stagni & Company*

Thibodaux, Louisiana  
June 18, 2021



**RIVER PARISHES TRANSIT AUTHORITY**

Comparative Statement of Net Position

December 31, 2020 and 2019

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 35,390	\$ -
Due from other governments	254,353	192,738
Capital assets, net of depreciation	<u>113,457</u>	<u>206,314</u>
Total assets	<u>403,200</u>	<u>399,052</u>
<b>LIABILITIES</b>		
Cash overdraft	-	15,482
Accounts payable	<u>51,899</u>	<u>97,798</u>
Total liabilities	<u>51,899</u>	<u>113,280</u>
<b>NET POSITION</b>		
Net Invested in capital assets	113,457	206,314
Unrestricted	<u>237,844</u>	<u>79,458</u>
Total net position	<u>\$ 351,301</u>	<u>\$ 285,772</u>

See notes to the financial statements.

**RIVER PARISHES TRANSIT AUTHORITY**

Comparative Statement of Revenues, Expenses, and Changes in Net Position  
For the Year Ended December 31, 2020 and 2019

	2020	2019
<b>OPERATING REVENUES</b>		
Farebox Revenues	\$ 28,770	\$ 35,120
 <b>DIRECT OPERATING EXPENSES</b>		
Administrative:		
Audit	14,200	14,000
Communications	106	114
Marketing & Advertising	161	523
Professional Services	118,375	71,057
Other	475	37
Total administrative	<u>133,317</u>	<u>85,731</u>
Depreciation	92,857	142,631
Operating:		
Purchased Transportation Services	<u>1,130,616</u>	<u>1,113,825</u>
Total operating	<u>1,130,616</u>	<u>1,113,825</u>
<b>TOTAL DIRECT OPERATING EXPENSES</b>	<u>1,356,790</u>	<u>1,342,187</u>
 Income (Loss) from operations	(1,328,020)	(1,307,067)
 <b>NONOPERATING REVENUES (EXPENSES)</b>		
Government Grants:		
Federal - Direct	349,315	316,163
Federal - Passed through State of LA	640,391	338,056
Local	410,926	401,280
General Government	<u>(7,083)</u>	<u>(7,514)</u>
Total nonoperating revenue (expense)	<u>1,393,549</u>	<u>1,047,985</u>
 Increase (Decrease) in Net Position	65,529	(259,082)
 <b>NET POSITION</b>		
Beginning of year	<u>285,772</u>	<u>544,854</u>
Ending of year	<u>\$ 351,301</u>	<u>\$ 285,772</u>

See notes to the financial statements.

**RIVER PARISHES TRANSIT AUTHORITY**  
 Comparative Statement of Cash Flows  
 For the Year Ended December 31, 2020 and 2019

	2020	2019
Cash flows from operating activities:		
Cash received from operations	\$ 28,770	\$ 35,120
Cash paid to suppliers and vendors	<u>(1,309,832)</u>	<u>(1,323,981)</u>
Net cash used in operating activities	<u>(1,281,062)</u>	<u>(1,288,861)</u>
Cash flows from noncapital financing activities:		
Operating subsidies received from other governments	1,339,017	1,098,850
General Government - other	<u>(7,083)</u>	<u>(7,514)</u>
Net cash used for noncapital financing activities	<u>1,331,934</u>	<u>1,091,336</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	<u>-</u>	<u>(4,255)</u>
Net cash provided by capital and related financing activities	<u>-</u>	<u>(4,255)</u>
Net increase (decrease) in cash and cash equivalents	50,872	(201,780)
Cash and cash equivalents - beginning of year	<u>(15,482)</u>	<u>186,298</u>
Cash and cash equivalents - end of year	<u>\$ 35,390</u>	<u>\$ (15,482)</u>
Reconciliation of income (loss) from operations to net cash used in operating activities:		
Income (Loss) from operations	(1,328,020)	(1,307,067)
Adjustments to reconcile income (loss) from operations to net cash provided (used) in operating activities:		
Depreciation	92,857	142,631
Receivables that belong to operating subsidies	61,615	(43,351)
(Increase) Decrease in accounts receivable	(61,615)	43,351
Increase (Decrease) in accounts payable	<u>(45,899)</u>	<u>(124,425)</u>
Net cash provided (used) in operating activities	<u>\$ (1,281,062)</u>	<u>\$ (1,288,861)</u>
Noncash investing and financing activities:		
Loss on assets	\$ -	\$ -

See notes to the financial statements.

**RIVER PARISHES TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2020

River Parishes Transit Authority (RPTA) was created pursuant to Louisiana Revised Statute 48:1601 et seq. as a political subdivision of the state comprising all of the territory in the parishes of St. Charles, St. James, and St. John the Baptist. The purpose for which the authority is created is to plan, design, lease (as lessee), purchase, acquire, hold, own, construct, improve, have an equity in, finance, maintain, and administer a transit system within the area, to operate same or contract therefore, and to lease (as lessor) same for operation by private parties. The board of commissioners is composed of seven members whose appointments and terms of office is set forth in LRS 48:1604.

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

The accounting and reporting policies conform to generally accepted accounting principles as applicable to governments. 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 certain significant accounting policies:

**A.     *Reporting Entity***

The RPTA is a stand-alone entity as defined by GASB Codification Section 2100, *Defining the Financial Reporting Entity*. The RPTA is neither fiscally dependent on any other local government nor does it provide specific financial benefits to or impose specific financial burdens on any other government. No other potential component units meet the criteria for inclusion in the financial statements.

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

The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses, excluding depreciation and amortization, are recorded when a liability is incurred, regardless of the timing of related cash flows. The RPTA uses fund accounting to report its financial position and results of operations. The accounts are organized into a single proprietary fund. The enterprise fund (a proprietary fund) is used to account for operations (a) that are operated in a manner similar to private business where the intent of the governing body is that the cost (expense, including depreciation) of providing goods and services to the general public is financed or recovered primarily through user charges or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or changes in net assets is appropriate for capital maintenance. Rider fares are considered operating revenue.

**RIVER PARISHES TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2020

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

All other revenues, including federal state, and local grants, and operating subsidies are recognized as non-operating.

**C.      Capital Assets**

Capital assets are capitalized at historical cost. Depreciation is charged to expense over the estimated useful lives of the assets once placed in service. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

CATEGORY	LIFE
FURNITURE AND OFFICE EQUIPMENT	3-10 YEARS
BUSES AND EQUIPMENT	4 YEARS

**D.      Net Position Classifications**

In accordance with GASB Codification, net position is classified into three components – net invested in capital assets, restricted, and unrestricted. These classifications are defined as follows.

- *Net Invested in Capital Assets* – This component of net position consists of the historical cost of capital assets, including any 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 those assets, plus deferred outflows of resources, less deferred inflows of resources, related to those assets.
- *Restricted* – This component of net position consists of assets that have constraints that are externally 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.
- *Unrestricted* – This component of net position consists of all other net positions that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”, as described above.



**RIVER PARISHES TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2020

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

*E.      Federal, State and Local Grants*

Federal, state and local grants are made available for the acquisition of public transit facilities, planning studies, buses and other transit equipment, and lease maintenance services. Unrestricted operating grants and grants restricted as to purpose, but not contingent on the actual expenditures of funds, are recognized at that point in time when the right to the funds becomes irrevocable.

Where the expenditure of funds is the prime factor for determining the eligibility for the grant proceeds, the grant is recognized at the time when the expense is incurred.

*F.      Cash Flows*

For the purposes of the statements of cash flows, cash and cash equivalents include investments with a maturity of less than one year.

*G.      Budgets and Budgetary Accounting*

In accordance with Revised Statutes and under authority granted to the Board of Commissioners, an annual budget of revenue, expenses and capital expenditures is prepared under the accrual basis of accounting, consistent with accounting principles generally accepted in the United States of America. The budget is adopted by resolution of the Board of Commissioners after public hearings are conducted and public input is received. The RPTA, operating as an enterprise fund, utilizes the budget and related budgetary accounting to assure that: (1) service objectives are attained; (2) expenditures are properly controlled; and (3) adequate resources will be available to finance current operations, repay long-term liabilities and meet capital outlay requirements. A budget presentation is not required and has not been included in the financial statements.

*H.      Claims and Judgments*

The RPTA provides for losses resulting from claims and judgments, including anticipated incremental costs. A liability for such losses is reported when it is probable that a loss has occurred, and the amount can be reasonably estimated. Actual losses may differ significantly from estimates.

**RIVER PARISHES TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2020

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

*I.       Use of 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.

*J.       Operating vs. Non-Operating Revenue*

Rider fares are considered operating revenue. All other revenues, including federal state, and local grants, and operating subsidies are recognized as non-operating.

**Note 2           CASH AND CASH EQUIVALENTS**

Demand (deposits, interest bearing demand deposits and certificates of deposit) are recorded at cost, which approximates fair value. At year-end, the carrying amount was \$35,390, and the bank balance of deposits was \$222,332.

Custodial credit risk is the risk that in an event of a bank failure, deposits may not be returned to it. Because the total deposit balance was less than \$250,000, there was none of the balance exposed to custodial credit risk. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposits insurance or the pledge of securities owned by the fiscal agent bank.

The market values of the pledged securities plus the federal deposit insurance (FDIC) must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent, in RPTA's name.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the entity that the fiscal agent has failed to pay deposited funds upon demand.

**RIVER PARISHES TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2020

**Note 3      DUE FROM OTHER GOVERNMENTS**

The amount recorded as due from other governments consists of:

Due from other Governments:		
Federal Transit Authority	\$45,029	\$ 56,824
Louisiana DOTD	51,705	180,080
St. Charles Parish	85,588	7,032
St. John the Baptist Parish	10,416	10,417
<b>Total due from other governments</b>	<b>\$192,738</b>	<b>\$254,353</b>

**Note 4      COMPENSATION OF BOARD MEMBERS**

The following amounts were paid for per diems for the year to:

<b>Board Member:</b>	
Ms. Helen Banquer	\$ 660
Mr. Richard Drexel	660
Mr. Emile Broussard, III	540
Mr. Kerry Bourgeois	300
Ms. Robbie LeBlanc	420
Mr. Jon Dias	240
	\$ 2,820

**Note 5      RISK MANAGEMENT**

RPTA is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. To protect against these risks, RPTA has purchased commercial or other insurance for the losses to which it is exposed.

**RIVER PARISHES TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2020

**Note 6 CAPITAL ASSETS**

Capital assets and depreciation activity for the year is as follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
<b>DEPRECIABLE ASSETS:</b>				
<b>COST</b>				
Computer Hardware	\$ 11,876	\$ -	\$ -	\$ 11,876
Fareboxes	5,014	-	-	5,014
Security equipment	26,305	-	-	26,305
Signal Communications Equip	48,959	-	-	48,959
Vehicles	685,790	-	-	685,790
Furniture & Fixtures	12,118	-	-	12,118
<b>Total cost of depreciable assets</b>	<b>790,063</b>	<b>-</b>	<b>-</b>	<b>790,063</b>
<b>ACCUMULATED DEPRECIATION</b>				
Computer Hardware	11,273	604	-	11,877
Fareboxes	5,014	-	-	5,014
Security equipment	25,982	247	-	26,229
Signal Communications Equip	38,881	3,554	-	42,435
Vehicles	493,790	86,981	-	580,771
Furniture & Fixtures	8,810	1,470	-	10,280
<b>Total accumulated depreciation</b>	<b>583,749</b>	<b>92,857</b>	<b>-</b>	<b>676,606</b>
<b>Net capital assets</b>	<b>\$ 206,314</b>			<b>\$ 113,457</b>

Depreciation expense for the year was \$92,857.

**RIVER PARISHES TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2020

**Note 7      DELEGATED MANAGEMENT CONTRACT**

The RPTA entered into a contract with Transdev Services, Inc. whereby Transdev is responsible for performing all activities of the transit authority below the Board level. This means that Transdev will be responsible for all aspects of the public transportation system, including operations, safety, maintenance, customer care, routes and schedules, capital planning, budgeting, marketing, ridership growth, grant administration, as well as all the other typical functions of a transit authority. For the years ended December 31, 2020 and 2019, the contract requires a monthly variable rate fee of \$93.68 and \$91.17, respectively per revenue hour, and reimbursement of other expenditures as required by the contract.

Transdev reports to the Board of Commissioners, which sets the direction for the RPTA and is responsible for establishing policies including fares, service, and operations, as well as approval of each year's annual transportation development plan and budget.

**Note 8      CONTINGENCIES AND GRANT COMMITMENTS**

The RPTA receives financial assistance directly from Federal agencies, which is subject to audit and final acceptance by these agencies. In the opinion of management, amounts that might be subject to disallowance upon final audit, if any, would not have a material effect on the financial position.

The RPTA is committed to funding local matching requirements under grants for which a contractual obligation existed at the end of each year.

**Note 9      SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 18, 2021, 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.

***OTHER SUPPLEMENTAL  
SCHEDULES***

**RIVER PARISHES TRANSIT AUTHORITY**

**Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2020**

**Agency Head Name: Corey Fauchaux, Chairman**

<b>Purpose</b>	<b>Amount</b>
Salary	\$0
Benefits - insurance	\$0
Benefits - retirement	\$0
Benefits - life insurance	\$0
Benefits - Medicare tax	\$0
Car Allowance	\$0
Vehicle provided by government	\$0
Per Diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses	\$0
Special meals	\$0
Fuel	\$0
Dues	\$0
Cell Phone	\$0

**This form is used to satisfy the supplemental reporting requirement of  
R.S. 24:513(A)(3)**

***REPORTS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS***





# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

To the Board Members of  
River Parish Transit Authority

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 River Parish Transit Authority as of and for the years ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated June 18, 2021.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over financial reporting 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 financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

June 18, 2021  
Thibodaux, Louisiana





# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## **Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

To the Board Members of the  
River Parish Transit Authority

### ***Report On Compliance for Each Major Federal Program***

We have audited the compliance of the River Parish Transit Authority (RPTA) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material on each of its major federal programs as of and for the year ended December 31, 2020. The major programs are identified in the summary of auditor's results section of the accompanying schedule of current year findings.

### ***Management's Responsibility***

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those Standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct of the material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the RPTA's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the RPTA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the summary of auditor's results section of the accompanying schedule of current year findings for the year ended December 31, 2020.

***Other Matters***

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance. Our opinion on each major federal program is not modified with respect to these matters.

***Report on Internal Control over Compliance***

Management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. *A material weakness over compliance* is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* 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 over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.



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

***Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance***

We have audited the financial statements of RPTA as of and for the years ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements. We issued our report thereon dated June 18, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. This report is intended solely for the information and use of management, federal awarding agencies and pass-through entities, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

Thibodaux, Louisiana  
June 18, 2021



**River Parish Transit Authority**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the year ended December 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Award/Pass-Through Entity Identifying Number	Federal Expenditures*
<b>U.S. Department of Transportation:</b>			
<b>Federal Transit Administration:</b>			
Federal Transit - Capital Investment Grants- Project Administration	20.5	LA-04-0026-00	\$6,563.00
Federal Transit - Capital Investment Grants- Project Administration	20.5	LA-2017-030-00	\$6,756.00
Federal Transit - Capital Investment Grants- Project Administration	20.5	LA-2018-017-00	\$704.00
Federal Transit - Capital Investment Grants- Project Administration	20.5	LA-2019-022-00	\$1,487.00
Federal Transit - Capital Investment Grants- Project Administration	20.5	LA-2020-003-00	\$1,545.00
Federal Transit - Capital Investment Grants- Project Administration	20.5	LA-2020-011-00	\$2,932.00
			<u>\$19,987</u>
Federal Transit - Formula Grants (Urbanized Area) - Preventive Maintenance	20.507	LA-2020-006-00	\$14,664.00
Federal Transit - Formula Grants (Urbanized Area) - Preventive Maintenance	20.507	LA-04-0013-00	\$44,382.00
Federal Transit - Formula Grants (Urbanized Area) - Preventive Maintenance	20.507	LA-04-0026-00	\$20,771.00
Federal Transit - Formula Grants (Urbanized Area) - Preventive Maintenance	20.507	LA-90-X359-00	\$17,645.00
Federal Transit - Formula Grants (Urbanized Area) - Preventive Maintenance	20.507	LA-90-X376-00	\$13,949.00
Federal Transit - Formula Grants (Urbanized Area) - Preventive Maintenance	20.507	LA-90-X396-00	\$15,156.00
Federal Transit - Formula Grants (Urbanized Area) - Preventive Maintenance	20.507	LA-90-X410-00	\$544.00
Federal Transit - Formula Grants (Urbanized Area) - Operating Assistance	20.507	LA-2019-022-00	\$27,156.00
Federal Transit - Formula Grants (Urbanized Area) - Operating Assistance	20.507	LA-2020-006-00	\$116,836.00
Federal Transit - Formula Grants (Urbanized Area) - Operating Assistance	20.507	LA-04-0026-00	\$10,234.00
			<u>\$281,337</u>
Federal Transit - Job Access Reverse Commute - Operations	20.516	LA-37-X031-00	\$20,427.00
Federal Transit - Job Access Reverse Commute - Operations	20.516	LA-37-X039-00	\$8,128.00
Federal Transit - Job Access Reverse Commute - Operations	20.516	LA-37-X050	\$7,640.00
			<u>\$36,195</u>
		<b>Total Federal Transit Administration</b>	<b>\$337,519</b>
<b>Pass-Through Program From:</b>			
<b>Louisiana Department of Transportation and Development</b>			
Federal Transit - Formula Grants for Other than Urbanized Area	20.509 *	State Project #RU-18-48-20, Federal Grant #LA-18-X031	\$248,076
Federal Transit - Formula Grants for Other than Urbanized Area	20.509 *	State Project #RU-18-48-21, Federal Grant #LA-2020-007	\$362,315
		<b>Total U. S. Department of Transportation</b>	<b>\$610,391</b>
		<b>Total Expenditures of Federal Awards</b>	<b>\$947,910</b>

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS:**

\* Tested as major program

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the River Parish Transit Authority, under programs of the federal government for the year ended December 31, 2020 in accordance with the requirements of Title 2 U. S. code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net assets, or cash flows for the RPTA.

**Note 2 - Summary of Significant Accounting Policies**

The accompanying schedule of expenditures of federal awards is presented on the modified accrual basis of accounting, which is described in Note 1 to the financial statements for the year ending December 31, 2020. Such expenditures are recognized following the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The RPTA has elected NOT to use the 10 percent de minimum indirect cost rate as allowed under Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements. A reconciliation of the federal expenditures to the federal revenues presented in the financial statements is outlined below:

Federal Expenditures per the Schedule of Federal Awards	\$ 947,910
Revenues from Other Sources/Matching to cover Expenses	41,796
Federal Revenues	<u>\$ 989,706</u>
Federal-Direct	\$ 349,315
Federal-Passed through State of LA	640,391
	<u>\$ 989,706</u>

**River Parish Transit Authority**  
**SCHEDULE OF CURRENT YEAR FINDINGS**  
**For the Year Ended December 31, 2020**

**Section I - Summary of Auditor's Reports**

1. The independent auditor's report expresses an unmodified opinion on the financial statements.
2. No significant deficiencies in internal control were disclosed during the audit of the financial statements. No material weaknesses are reported.
3. No instances of noncompliance, required to be reported in accordance with *Government Auditing Standards*, was disclosed during the audit.
4. No significant deficiencies in internal control over a major award program were disclosed during the audit. No material weaknesses are reported.
5. The auditor's report on compliance for the major federal awards programs expresses an unmodified opinion on the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs
6. There were no findings required to be reported in accordance with CFR 200.516 of the Uniform Guidance are included in this Schedule.
7. The programs tested as major programs were:

CFDA Number(s) Name of Federal Program (or Cluster)

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**20.509 Federal Transit – Formula Grants for Other than Urbanized**

8. The threshold used to distinguish between Type A and Type B Programs as described in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* was **\$750,000**.
9. The auditee is considered a 'low-risk' auditee, as defined by Uniform Guidance.

**Section II - Financial Statement Findings**

NONE TO REPORT

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

NONE TO REPORT