ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA FINANCIAL REPORT DECEMBER 31, 2020

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VIGE, TUJAGUE 🥯 NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners St. Landry Parish Communications District Opelousas, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of St. Landry Parish Communications District as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Communications District's basic financial statements as listed in the table of contents.

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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the St. Landry Parish Communications District, as of December 31, 2020, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the St. Landry Parish Communications District. The accompanying schedule of compensation, benefits, and other payments to agency head and other supplementary information, as listed in the table of contents, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a required part of the financial statements.

The other supplementary information and schedule of compensation, benefits, and other payments to agency head 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. 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 schedule of compensation, benefits, and other payments and other

supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 31, 2020, on our consideration of the St. Landry Parish Communications District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 St. Landry Parish Communications District's internal control over financial reporting and compliance.

The prior year comparative information has been derived from the St. Landry Parish Communications District's 2019 financial statements and, in our report dated May 18, 2020, we expressed unmodified opinions on the respective financial statements of the governmental activities.

Vige, Dyague & Noël, CPA's

Eunice, Louisiana June 4, 2021

BASIC FINANCIAL STATEMENTS

The St. Landry Parish Communications District's basic financial statements comprise the following three components.

<u>Government-wide financial statements</u> – provides readers with a broad overview of St. Landry Parish Communications District's finances in a manner similar to a private sector business.

<u>Fund financial statements</u> – provide readers information with an emphasis on inflows and outflows of resources useful for making decisions in a budgetary context where the focus is on meeting the near-term financial needs.

<u>Notes to basic financial statements</u> – provide additional information that is essential to a full understanding of the date provided in the government-wide and fund financial statements.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA STATEMENT OF NET POSITION

STATEMENT OF NET POSITION DECEMBER 31, 2020

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	2020	2019
ASSETS		
Cash	\$ 1,188,571	\$ 1,050,939
Receivables	222,618	187,354
Restricted cash	182,695	175,760
Prepaid expenses	26,345	24,428
Capital assets, net	2,940,496	2,582,691
Total assets	4,560,725	4,021,172
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	139,776	327,421
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	53,810	63,683
Current portion of lease payable	30,969	29,934
Current portion of bonds payable	49,672	47,609
Total current liabilities	134,451	141,226
Noncurrent Liabilities:		
Compensated absences	159,927	138,931
Bonds payable	1,660,935	1,710,611
Lease payable	32,039	63,009
Net pension liability	4,077	355,916
Total noncurrent liabilities	1,856,978	2,268,467
Total liabilities	1,991,429	2,409,693
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	190,377_	24,053
Net Position:		
Investments in capital assets, net of related debt	1,229,889	824,471
Restricted for debt service	182,695	175,760
Unrestricted	1,106,111	914,616
Total net position	\$ 2,518,695	\$ 1,914,847

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA STATEMENT OF ACTIVITES FOR THE YEAR ENDED DECEMBER 31, 2020

			F	gram Revenues Fees, Fines, and Charges	Re C No	t (Expense) venue and hanges in et Position	
Activities	Expenses		I	or Services	Activities		
Governmental activities: General government							
Public safety	\$	865,658	\$	1,527,373	\$	661,715	
Interest and fees on debt		77,012		-		(77,012)	
Total governmental activities	\$	942,670	\$	1,527,373		584,703	
Ger		revenues:	tmont	on rivings		5,917	
		est and inves ellaneous	unent	carnings		6,220	
			neion c	ontributions		7,008	
		tal general re				19,145	
	Ch	ange in net p	ositio	ı		603,848	
Ne	t posi	tion - Decen	ber 3	1, 2019		1,914,847	
Na	t posi	tion - Decen	ober 3	1. 2020	\$	2,518,695	

FUND FINANCIAL STATEMENTS

BALANCE SHEET - GOVERNMENTAL FUND DECEMBER 31, 2020

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	2020	2019
ASSETS		
Cash	\$1,188,571	\$1,050,939
Fees receivable	222,618	187,354
Restricted eash	182,695	175,760
Prepaid expenses	26,345	24,428
Total assets	\$1,620,229	\$1,438,481
LIABILITIES		
Liabilities:		
Accounts payable	8,127	\$ 11,561
Accrued wages payable	3,872	23,124
Payroll taxes payable	4,662	1,358
Accrued interest payable	598	614
Retirement payable	34,714	26,408
Supplemental insurance payable	1,087	618
Total liabilities	53,810	63,683
Fund balances:		
Restricted		
Reserve for debt service	182,695	175,760
Committed		
ANI/ALI equipment	200,000	200,000
Unassigned		999,038
Total fund balances	1,566,419	1,374,798
Total liabilities and fund balances	\$1,620,229	\$1,438,481

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2020

\$ 1,566,419

(159,927)

(63,008)

(1,710,607)

Total fund balances for governmental funds

Long-term liabilities at December 31, 2020

Compensated Absences

Lease Payable

Bond Payable

at December 31, 2020 Total net assets reported for governmental activities in the statement of net position is different because: Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of: Cost of capital assets at December 31, 2020 \$3,250,406 Less: Accumulated depreciation 2,940,496 (309,910)Amounts related to pension recognition are not due and payable in the current period and, therefore, are not reported in the funds (54,678)

Total net position of governmental activities at December 31, 2020 \$ 2,518,695

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND FOR THE YEAR ENDED DECEMBER 31, 2020

WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	2020	2019		
Revenues:				
Charges for services				
Private sign reimbursements	\$ 48	\$ 76		
Wireless telephone fees				
(including prepaid)	1,055,267	1,007,469		
Records request income	947	738		
Tower rental income	4,800	4,800		
Land line telephone fees	466,311	451,490		
Interest income	5,917	4,905		
Miscellaneous	6,220	1,816		
Total Revenues	1,539,510	1,471,294		
Expenditures:				
Current				
Salaries	589,935	568,423		
Payroll taxes	9,237	8,718		
Retirement	71,771	63,153		
Auto repair/maintenance	246	3,948		
Auto fuel	1,365	2,449		
Telephone - office	8,919	3,381		
Telephone - cellular	2,263	2,757		
Telephone - line expense	35,995	37,605		
Education	1,848	1,070		
Dues and subscriptions	2,554	2,544		
Utilities	21,833	22,721		
Professional fees	16,250	8,517		
Insurance -				
Employees health	95,531	97,733		
Workmen's compensation	3,685	4,202		
Automobile	2,776	2,518		
General liability	23,626	21,572		
Management liability	6,384	5,431		
Surety bonds	294	294		
Life insurance - employees	966	1,019		

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2020 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019

	2020	2019
Expenditures (continued):		
Office supplies	\$ 6,514	\$ 4,062
Postage	165	165
Office repairs/maintenance	2,004	4,892
Bank service charges	15	3
Housekeeping supplies	1,006	1,368
Personnel uniforms	996	317
Maintenance agreements	42,570	19,335
Tower maintenance expense	2,755	¥
Addressing supplies	23	44
Travel expense	-	4,881
Radio system maintenance		
and improvements	4,300	8,225
Miscellaneous	1,242	413
Debt service (principal,		
interest and fees)	154,543	154,544
Capital outlay	236,278	48,175
Total Expenditures	1,347,889	1,104,479
Net change in fund balance	191,621	366,815
Fund balance, beginning	1,374,798	1,007,983
Fund balance, ending	\$ 1,566,419	\$ 1,374,798

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2020

Total net change in fund balance at December 31, 2020
per Statement of Revenues, Expenditures and
Changes in Fund Balances
\$ 191,621

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures

on the Statement of Revenues, Expenditures and
Changes in Fund Balances \$ 236,278

Depreciation expense for the year ended December 31, 2020 121,527

357,805

Decrease (increase) in long-term portion of compensated absences (20,996)

Net effect of pension liability recognition (2,130)

Changes in long term debt:

 Bonds Payable
 47,613

 Lease Payable
 29,935
 77,548

Total changes in net position at December 31, 2020
per Statement of Activities
\$\\$603,848\$

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

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

A. REPORTING ENTITY

The St. Landry Parish Communications District was created by the St. Landry Parish Police Jury on July 15, 1991.

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Government is the financial reporting entity for St. Landry Parish. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Landry Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

- 1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the parish government to impose its will on that organization and/or
 - The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
- Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
- Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

A. REPORTING ENTITY (continued)

The St. Landry Parish Communications District has control over their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, power to incur debt and issue bonds, and the receipt and disbursement of funds. The St. Landry Parish Communications District is financially independent. Therefore, the District reports as an independent reporting entity and the financial statements include only the transactions of the St. Landry Parish Communications District.

Each of the following appoints one board member for the St. Landry Parish Communications District:

St. Landry Parish Municipal Association Opelousas Police Department St. Landry Parish Sheriff's Department Eunice Police Department Paid Fire Departments Volunteer Fire Departments St. Landry Parish Government

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The statement of net position and the statement of activities display information on all of the nonfiduciary activities of the St. Landry Parish Communications District, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

NOTE 1 = SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

B. BASIS OF PRESENTATION (continued)

FUND FINANCIAL STATEMENTS

Fund financial statements of the St. Landry Parish Communications District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Fund financial statements report detailed information about the St. Landry Parish Communications District. As a general rule, interfund eliminations are not made in the fund financial statements.

The various funds of St. Landry Parish Communications District are classified as governmental funds. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it's the primary operating fund of the Communications District or meets the following criteria:

- Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise funds are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The St. Landry Parish Communications District reports the following major governmental fund:

General Fund. The general operating fund of the St. Landry Parish Communications District accounts for all financial resources, except those required to be accounted for in other funds.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

MEASUREMENT FOCUS

The fund financial statements utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principals and interest on general long-term debt which are recognized when due.

Purchases of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year.

Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

D. DEPOSITS AND INVESTMENTS

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the St. Landry Parish Communications District.

The St. Landry Parish Communications District is authorized by LA RS 39:1211-1245 and 33:2955 to invest in the following:

- 1. United States Treasury Bonds
- 2. United States Treasury Notes
- 3. United States Treasury Bills
- Obligations of U.S. Government Agencies, including Federal Home Loan Bank bonds, Government National Mortgage Association Bonds, or a variety of "Federal Farm Credit" bonds.
- Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana.
- 6. Fully collateralized repurchase agreements.
- 7. Fully collateralized interest-bearing checking accounts.
- 8. Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.
- 9. Any other investment allowed by state statute for local governments.

E. RECEIVABLES

Receivable balances include wireless, prepaid, and landline income.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

F. CAPITAL ASSETS

The St. Landry Parish Communications District does not have any infrastructure expenditures.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation. The District's capitalization threshold is \$500.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using straight-line depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	1-20 years
Vehicles	10 years
Building renovations	20 years
Building	40 years

The cost of normal maintenance and repairs that do not add to the values of the asset or materially extend asset lives are not capitalized. Interest costs incurred during construction are not capitalized.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities acquisition and construction expenditures of the governmental fund upon acquisition.

G. ACCUMULATED ANNUAL LEAVE

Annual leave is provided to all regular District employees and employees are encouraged to take an annual vacation. Paid leave may not be accumulated for a period more than one year in addition to the present year in which leave is being earned. Unused paid leave time will be paid to an employee who severs ties with the District.

Paid (accrued, earned) leave may be used as sick leave, vacation leave, or personal time off. Paid leave will be earned by an employee in an amount dependent upon years of service to the District. Full time employees who have completed 0-5 years will accrue 40 hours of paid leave. Full time employees who have completed 6-10 years will accrue 80 hours of paid leave. Full time employees who have completed 11-15 years will accrue 120 hours of paid leave. Full time employees who have completed 16 or more years will accrue 160 hours of paid leave.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

G. ACCUMULATED ANNUAL LEAVE (continued)

Once the maximum amount of paid leave is accumulated (two years worth) the employee may request, on their anniversary date, to be paid for the number of hours which exceeds their maximum allowance. If an employee has exhausted all of their paid leave and is unable to work due to illness or any reason covered under FMLA guidelines, the employee may apply for unpaid FMLA leave for up to twelve weeks.

H. LONG-TERM OBLIGATIONS

In the government-wide financial statements and fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities or statement of net position.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources net of the applicable premium or discount and payment of principal and interest reported as expenditures.

I. EQUITY CLASSIFICATIONS

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

- Net investment in capital assets Consists of capital assets including restricted capital
 assets, net of accumulated depreciation and reduced by the outstanding balance of any
 bonds, mortgages, notes, or other borrowing that are attributable to the acquisition,
 construction, or improvement of those assets.
- Restricted net position Consists of net position with constraints placed on the use either
 by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of
 other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position All other net position that does not meet the definition of "restricted: or "net investment in capital assets."

When both restricted and unrestricted net positions are available for use, it is the District's policy to use restricted resources first.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

I. EQUITY CLASSIFICATIONS (continued)

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

- Restricted Reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- 2. Committed Consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the board members the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- 3. <u>Assigned</u> Reflects the amounts constrained by the District's "intent" to be used for specific purposes but are neither restricted nor committed. The members of the board and the director have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
- Unassigned This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance) are available for use, it is the District's policy to use restricted resources first. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

J. 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.

K. BUDGETS AND BUDGETARY ACCOUNTING

The District follows these procedures in establishing the budgetary data for the General Fund which is reflected in these financial statements:

- 1. The Executive Director and Executive Secretary prepare a proposed operating budget for the succeeding year.
- The proposed budget is submitted to the Board of Commissioners for review and approval. A summary of the budget is published and made available for public inspection.
- 3. A public hearing is held during a regular monthly meeting of the District's Commission. The budget is then adopted by resolution of the Commission.
- 4. Amendments to any item of the budget must be approved by the Commission.
- Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended during the year by the Commission.
- Operating appropriations, to the extent not expended or encumbered, lapse at yearend. Capital appropriations continue in force until the project is completed or deemed abandoned.

L. ENCUMBRANCES

The District does not utilize an encumbrance system.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

M. FUND BALANCE

The District does not have a deficit fund balance.

N. <u>DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF</u> RESOURCES

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

O. ACCOUNTING PRONOUNCEMENTS

The Government Accounting Standards Board (GASB) has issued the following Statements which will become effective in futures years as shown below:

Statement No. 87, "Leases" increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for fiscal year 2021. Earlier application is encouraged. Management has not yet determined the effect of this Statement on the financial statements.

NOTE 2 - CASH AND CASH EQUIVALENTS

The cash and cash equivalents of the St. Landry Parish Communications District are subject to the following risk:

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

Bank account balances at December 31, 2020, totaled \$1,404,854 and of this amount \$324,522 was secured by FDIC Insurance. The remaining amount was secured with pledges in the amount of \$1,036,578, resulting in a shortage of security pledges in the amount of \$43,755.

NOTE 3 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2020 of the St. Landry Parish Communications District are as follows:

		Balance					Balance
	12	2/31/2019	Additions	Deletions		12/31/2020	
Governmental activities:							
Equipment	\$	606,281	\$ 236,278	\$	-	\$	842,559
Vehicles		54,430	~		-		54,430
Building	2	2,353,417			-	2	2,353,417
Totals		3,014,128	236,278	-	3	2	,250,406
Less accumulated depreciation				<u></u>			
Equipment	\$	132,585	\$ (59,857)	\$	-	\$	72,728
Vehicles		30,043	(2,835)		-		27,208
Building		268,809	(58,835)		-		209,974
Total accumulated depreciation		431,437	(121,527)		-	2	309,910
Net capital assets	\$2	2,582,691	\$ 357,805	\$.=	\$2	2,940,496

As of the end of the rebanding project for St. Landry Parish, all parish public safety responders are operating on the State LWIN system. The Louisiana Wireless Interoperable Network (LWIN) System has undertaken a major initiative to enable seamless communication among all responders to an even or emergency in Louisiana and to improve information sharing and systems.

Depreciation expenses for the year ended December 31, 2020 amounted to \$121,527.

NOTE 4 - LONG TERM LIABILITIES

Changes in long-term debt are as follows:

		Balances at January 1, 2020	Additions		Retirements		Balances at December 31, 2020		Balances Due Within One Year	
Bond Payable	\$	1,758,220	\$	-	\$	47,613	\$	1,710,607	\$	49,672
Compensated Absences Lease Payable		138,931 92,943		20,996		29,935		159,927 63,008		30,969
Total	\$	1,990,094	\$	20,996	\$	77,548	\$	1,933,542	\$	80,641

<u>Compensated Absences</u> – This debt consists of the long-term portion of accrued vacation and sick leave which employees have earned and are payable to them in the future.

Bond Payable – On April 28, 2008, the St. Landry Parish Communications District obtained a bond for the construction of a new building. The taxable revenue bond (Series 2008), numbered R-1, was delivered to the United States Rural Development Agency in the amount of \$2,310,000, bearing an interest rate of 4.25%. The bond is payable over a forty year period. The monthly payments for this loan began on May 28, 2009 in the amount of \$10,118.

According to the terms of the bond agreement, the St. Landry Parish Communication's District is required to deposit a sum equal to the amount of principal and interest due on the next payment date of the bond into a sinking fund account. Monthly payments are drafted from the sinking fund by the USDA on the 28th of each month.

Additionally, beginning in April 2009, the St. Landry Parish Communications District is required to deposit \$506 per month into a reserve fund until a balance of \$121,414 has been accumulated. This reserve fund is to be retained solely for the purpose of paying the principal and interest on bonds payable if the sinking fund were in default. The balance required in the reserve fund at December 31, 2020 is \$70,859. As of December 31, 2020, the balance in the reserve fund account is \$120,377.

The bond agreement also requires a contingency fund with a monthly deposit of \$506 until a balance of \$121,414 is reached, and then deposits will increase to \$1,012 per month. Money in the contingency fund shall be used to pay principal and interest on any bond when there are not sufficient funds in the sinking fund or reserve fund. The required balance at December 31, 2020

NOTE 4 - LONG TERM LIABILITIES (continued)

in the contingency fund is \$61,190. At December 31, 2020 the balance in the contingency fund is \$62,318.

Maturities of the bond are scheduled as follows:

	USDA Rural Development Loan								
Year Ending December 31,		Interest Payments		Principal ayments	Total				
2021	\$	71,742	\$	49,672	\$	121,414			
2022		69,589		51,825		121,414			
2023		67,343		54,071		121,414			
2024		65,000		56,414		121,414			
2025		62,555		58,859		121,414			
2026-2030		272,231		334,839		607,070			
2031-2035		193,108		413,962		607,070			
2036-2040		95,288		511,782		607,070			
2041-2042		6,225		179,183		185,408			
	\$	903,081	\$1	,710,607	\$2	2,613,688			

<u>Lease Payable</u> – On December 27, 2017, the St. Landry Parish Communications District entered into a five year lease purchase agreement with Government Capital Corporation, for the purpose of financing a 911 call taking system, in the amount of \$150,000, bearing an interest rate of 3.455%. Payments are due annually in the amount of \$33,180 beginning December 27, 2018. Lease payments are due as follows:

Year Ending Interest December 31, Payments			rincipal ayments	Total		
2021	\$	2,211	\$ 30,969	\$	33,180	
2022		1,141	32,039		33,180	
	\$	3,352	\$ 63,008	\$	66,360	

NOTE 5 - DEBT REFUNDINGS

On November 14, 2007, the St. Landry Parish Communications District defeased the outstanding Certificates of Indebtedness Series 2006 with a principal balance of \$1,555,000. A payment of \$1,603,207 was deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 2006 Certificates of Indebtedness. As a result the Certificates of Indebtedness are considered to be defeased and the liability for the bond has been removed from the government-wide statement of net position.

The St. Landry Parish Communications District defeased the Certificates of Indebtedness Series 2006 and obtained a new loan for acquisition and construction of a new building and equipment through the United States Department of Agriculture (USDA). The new loan of \$2,310,000 from the USDA was obtained in May 2008 with fixed interest rate of 4.25%

NOTE 6 - PENSION PLAN

All employees of the District are members of the Parochial Employees' Retirement System of Louisiana, which is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S.11:1901 of the Louisiana Revised Statute (LRS).

The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

Eligibility Requirements:

All St. Landry Parish Communications District employees (13) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

NOTE 6 - PENSION PLAN (continued)

Retirement Benefits:

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

For employees hired prior to January 1, 2007:

- 1. Age 55 with thirty (30) years of creditable service.
- 2. Age 60 with a minimum of ten (10) years of creditable service.
- 3. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

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

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

Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

Deferred Retirement Option Plan:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly

NOTE 6 - PENSION PLAN (continued)

retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan (DROP) on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

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

Cost of Living Increases:

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

NOTE 6 – PENSION PLAN (continued)

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer Contributions:

According to state statute, contributions for all employers are actuarially determined each year. Covered employees were required by state statute to contribute 9.50% of their salary to the plan. The Commission was required by the same statute to contribute 12.25%. The Commission's contributions paid to PERS for the year ended December 31, 2020 was \$71,771.

According to state statute, the System also receives ¼ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Non-employer contributions:

MPERS also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue during the year ended December 31, 2020. This amount totaled \$7,008.

At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for its participation in PERS:

NOTE 6 - PENSION PLAN (continued)

Deferred Outflows of Resources		Deferred Inflows of Resources	
\$	56,940	\$	(36,498)
			(152,877)
	8,982		(1,002)
\$	73,854	\$	(190,377)
	of I	of Resources \$ 56,940	of Resources of \$ - \$ 56,940 - 8,982 - 73,854

Deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date for PERS and the net difference between projected and actual earnings on pension plan investments of \$139,776, will be recognized as a reduction of the net pension liability during the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

Year Ended December 31:	PERS	
2020	\$	(27,306)
2021		36,963
2022		8,249
2023		(68,805)
Total	\$	(50,899)

Actuarial Methods and Assumptions:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the System's employers as of December 31, 2019, are as follows:

NOTE 6 - PENSION PLAN (continued)

	2020 Plan A	2019 Plan A
Total Pension Liability Plan Fiduciary Net Position	\$ 3,547,852 (3,543,775)	\$ 3,263,947 (2,908,031)
Total Net Pension Liability	\$ 4,077	\$ 355,916
Proportionate Share of Net Pension Liability	0.086607%	0.081910%
Change in Proportion	0.004697%	0.0089360%

summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2019, are as follows:

Valuation date	December 31, 2019
Actuarial cost method	Plan A - Entry Age Normal
Expected remaining service lives	4 years
Investment rate of return	6.5%, net of investment expense, including inflation
Projected salary increases	Plan A - 4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authortized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

The discount rate used to measure the total pension liability was 6.5% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the

NOTE 6 - PENSION PLAN (continued)

Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Change in Assumptions:

Amounts reported in fiscal year ended December 31, 2019 for Parochial Employees' Retirement System reflect an adjustment in the discount rate used to measure the total pension liability. The discount rate for the System was reduced by 0.25% to 6.5% as of the valuation date December 31, 2019. Other changes are as follows:

Valuation Date December 31, 2018

December 31, 2017

Inflation Rate

2.40%

2.5%

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.00% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.18% for the year ended December 31, 2019.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2019 are summarized in the following table:

NOTE 6 - PENSION PLAN (continued)

Asset Class	Target Asset Allocation	Long-term Expected Portfolio Real Rate of Return
Fixed Income	35%	1.05%
Equity	52%	3.41%
Alternative Investments	11%	0.61%
Real Assets	2%	0.11%
Total	100%	5.18%
Inflation		2.00%
Expected Arithmetic Nominal Return		7.18%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Sensitivity to Changes in Discount Rate:

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.5%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.50% or one percentage point higher 7.50% than the current rate.

NOTE 6 - PENSION PLAN (continued)

Changes in Discount Rate

	P	lan A	
1%	C	urrent	1%
Decrease	Disc	ount Rate	Increase
5.50%	6	.50%	7.50%
\$ 440,647	\$	4,077	\$ (361,760)

Net Pension Liability (Asset)

Retirement System Audit Report:

Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2019. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

NOTE 7 – LEASE COMMITMENTS

On December 10, 2003, the St. Landry Parish Communications District entered into an operating lease for 16.175 acres of property for a total cost of \$99 which was paid in full on December 11, 2003. The lease was for a term of 99 years beginning on January 1, 2005.

NOTE 8 – RESTRICTED FUND BALANCE

This represents amounts restricted per bond agreement with USDA.

NOTE 9 – BOARD MEMBERS

Board Members of the St. Landry Parish Communications District are as follows for 2020:

Jude Moreau – Executive Director Charles Watson Richard Daigle Marshall Moreau Bobby Degueyter

Sabrina Ardoin

Mark Guidry

Board Members do not get paid for serving on the Board.

NOTE 10 - SUBSEQUENT EVENTS

Subsequent events were evaluated through June 4, 2021, which is the date the financial statements were available to be issued, for events requiring recording or disclosure in the organization's financial statements. As of June 4, 2021, there were no subsequent events noted.

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The St. Landry Parish Communications District does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions.

NOTE 12 - FUND BALANCE CONSTRAINTS

The following is a summary of the fund balances of the District for the year ended December 31, 2020:

\$ 182,695
200,000
1,183,724
\$1,566,419

REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2020

				Variance
	Original	Final		Favorable
	Budget	Budget	Actual	(Unfavorable)
Revenues:			-	
Charges for services				
Private sign reimbursements	\$ -	\$ 48	\$ 48	\$ -
Wireless telephone fees				
(including prepaid)	1,003,000	1,040,000	1,055,267	15,267
Records request income	************	880	947	67
Tower rental income	4,800	4,800	4,800	-
Land line telephone fees	460,000	455,000	466,311	11,311
Interest income	3,500	5,800	5,917	117
Miscellaneous		6,216	6,220	4
Total Revenues	1,471,300	1,512,744	1,539,510	26,766
Expenditures:				
Current				
Salaries	620,000	615,000	589,935	25,065
Payroll taxes	11,000	9,900	9,237	663
Retirement	79,000	73,000	71,771	1,229
Auto repair/maintenance	4,500	1,100	246	854
Auto fuel	3,000	1,600	1,365	235
Telephone - line expense	4,000	8,500	8,919	(419)
Telephone - cellular	3,500	2,300	2,263	37
Telephone - office	38,000	36,000	35,995	5
Education	4,000	1,848	1,848	
Dues and subscriptions	4,000	2,600	2,554	46
Utilities	28,000	22,000	21,833	167
Professional fees	10,000	17,000	16,250	750
Insurance -				
Employees health	100,000	95,531	95,531	-
Workmen's compensation	4,300	3,685	3,685	
Automobile	2,800	2,909	2,776	133
General liability	22,500	25,195	23,626	1,569
Management liability	6,500	6,505	6,384	121
Surety bonds	300	294	294	-
Life insurance - employees	1,500	966	966	-
Office supplies	4,500	7,000	6,514	486
Postage	200	165	165	=
Office repairs/maintenance	15,000	2,200	2,004	196
Bank service charges	-	15	15	-
Housekeeping supplies	2,500	1,300	1,006	294
Personnel uniforms	2,000	1,400	996	404

See notes to required supplementary information.

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA BUDGETARY COMPARISON SCHEDULE GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2020

Maintenance agreements	\$ 30,000	\$ 48,000	\$ 42,570	\$ 5,430
Tower maintenance expense	5,000	2,755	2,755	-
Addressing supplies	300	23	23	116
Travel expense	5,000	•	-	+
Radio system maintenance				
and improvements	10,000	2,000	4,300	(2,300)
Miscellaneous	500	750	1,242	(492)
Debt service (principal,				
interest and fees)	121,414	121,414	154,543	(33,129)
Capital outlay	260,000	260,000	236,278	 23,722
Total Expenditures	1,403,314	1,372,955	1,347,889	 25,066
Net change in fund balance	\$ 67,986	\$ 139,789	191,621	 51,832
Fund balance, beginning			1,374,798	
Fund balance, ending			\$ 1,566,419	

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY DECEMBER 31, 2020

						Employer's	
						Proportionate	
						Share of the	
		Employer	\mathbf{E}	mployer		Net Pension	
		Proportion	Pro	portionate		Liability	Plan Fiduciary
		of the	Sh	are of the	Employer's	(Asset) as a	Net Position
		Net Pension	Ne	t Pension	Covered	Percentage of	as a Percentage
	Fiscal	Liability	L	Liability Employ		It's Covered	of the Total
	Year	(Asset)	(Asset)	Payroll	Employee Payroll	Pension Liability
PERS	2015	0.086994%	\$	23,785	\$ 489,820	4.85%	99.15%
PERS	2016	0.085431%		224,879	497,016	45.25%	92.23%
PERS	2017	0.083806%		172,600	447,701	38.55%	94.15%
PERS	2018	0.072994%		54,180	492,978	10.99%	98.02%
PERS	2019	0.080191%		355,916	549,156	64.81%	88.86%
PERS	2020	0.086607%		4,077	585,888	0.69%	99.88%

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

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTION DECEMBER 31, 2020

	Fiscal Year	R	Contractually Required Contribution		Contributions in Relation to Contractual Required Contribution		Contribution Deficiency (Excess)		Employer's Covered Employee Payroll	Contributions as a Percent of Covered Employee Payroll
PERS	2015	\$	71,024	\$	71,024	\$	-	\$	489,820	14.50%
PERS	2016		64,612		64,612		-		497,016	13.00%
PERS	2017		56,161		56,161		-		447,701	12.54%
PERS	2018		56,692		56,692		5.00		492,978	11.50%
PERS	2019		63,153		63,153				549,156	11.50%
PERS	2020		71,771		71,771		-		585,888	12.25%

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

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2020

NOTE 1 - BASIS OF ACCOUNTING

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

NOTE 2 – BUDGETARY PRACTICES

The District prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

NOTE 3 – PENSION PLANS

Changes of Assumptions — Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plans.

VIGE, TUJAGUE 🥯 NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2™ STREET P. O. BOX 1006 EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A. FRANK G. TUJAGUE, C.P.A. DOMINIQUE M. NOEL, C.P.A. TELEPHONE: 337-457-9324 FAX: 337-457-8743

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

To the Board of Commissioners St. Landry Parish Communications District Opelousas, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the St. Landry Parish Communications District, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the St. Landry Parish Communications District's basic financial statements, and have issued our report thereon dated June 4, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs, as item 2020-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the St. Landry Parish Communications District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs, as item 2020-001.

St. Landry Parish Communications District's Response to Finding

St. Landry Parish Communication District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. St. Landry Parish Communication District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Vige, Jujaque & MccD Vige, Tujague & Noël, CPA's

Eunice, Louisiana

June 4, 2021

ST. LANDRY PARISH COMMUNICATIONS DISTRICT SCHEDULE OF FINDINGS AND RESPONSES YEAR ENDED DECEMBER 31, 2020

We have audited the financial statements of St. Landry Parish Communications District as of and for the year ended December 31, 2020 and have issued our report dated June 4, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2020 resulted in an unmodified opinion.

Section I Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

nternal Control Material Weaknesses Yes X No	
Significant Deficiencies X Yes None reported	
Compliance	
Compliance Material to Financial Statements Yes X N	Vо
No senarate management letter was issued	

Section II Financial Statement Findings

2020-001 - Shortage of Pledged Securities

Condition: Bank account balances at December 31, 2020 exceeded FDIC Insurance and pledged securities from Iberia Bank by \$43,755.

Criteria: Under state law, bank deposit balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

Cause: The Bank monitors the account balances to determine when more security pledges are necessary.

ST. LANDRY PARISH COMMUNICATIONS DISTRICT SCHEDULE OF FINDINGS AND RESPONSES (continued) YEAR ENDED DECEMBER 31, 2020

Effect: At December 31, 2020, the District had cash in Iberia Bank in the amount of \$1,330,332 and insurance and security pledges of \$1,286,578, resulting in a shortage of pledges in the amount of \$43,755.

Views of Responsible Officials and Planned Corrective Action: Management is aware of this inadequacy and will monitor pledged securities more closely to ensure that all deposits are secure.

Section III Internal Control and Compliance Material to Federal Awards

There were no federal awards for the year ended December 31, 2020.

ST. LANDRY PARISH COMMUNICATIONS DISTRICT SCHEDULE OF PRIOR YEAR FINDINGS YEAR ENDED DECEMBER 31, 2020

I Internal Control and Compliance Material to the Financial Statements

The prior year's report did not include any financial statement findings.

II Internal Control and Compliance Material to Federal Awards

The prior year's report did not include any federal awards.

III Management Letter

The prior year's report did not include a management letter.

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA SCHEDULE OF INSURANCE IN FORCE (UNAUDITED) DECEMBER 31, 2020

						Policy	Period
Insurer	Coverage	Risk Covered	Cov	erage Limits	Co-Insurance	From	То
LA Parish Government Risk Management	Worker's Compensation	Employees	S	1,000,000	None	1/1/2020	1/1/2021
American Alternative	General Liability	General Aggregate	\$	2,000,000	None	7/7/2020	7/7/2021
Insurance Group		Products	\$	2,000,000			
		Personal and Advertising Injury	\$	1,000,000			
		Each Occurrence	\$	1,000,000			
		Medical Expense	\$	5,000			
		Public Employee Dishonesty					
		1 Executive Director	\$	122,000			
		1 Executive Secretary	\$	122,000			
		1 Addressing Supervisor	\$	122,000			
		3 Board Members	\$	122,000			
		Management Liability					
		Each Wrongful Act or Offense	\$	1,000,000			
		Each Act for Injunctive Relief	\$	50,000			
		Aggregate Limit	\$	2,000,000			
		Excess					
		Each Occurrence Limit	\$	2,000,000			
		Products	\$	4,000,000			
		Aggregate	\$	4,000,000			
	Property/Inland Marine	Building	\$	2,935,596	None	7/7/2020	7/7/2021
		Personal Property	\$	978,857			
		Tower/Equipment	\$	289,891			
		Auto - Uninsured Motorist	\$	1,000,000			
		Auto - Liability Limits	\$	1,000,000			
		Auto - Underinsured Motorist	\$	1,000,000			

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA SCHEDULE OF BOARD MEMBERS DECEMBER 31, 2020

Name/Title	Address/Telephone	Term
Charles Watson Sgt at Arms	P.O. Box 158 Krotz Springs, Louisiana 70750 (337) 566-3600	1/4/2021
Sabrina Ardoin	P.O. Box 566 Krotz Springs, Louisiana 70750 (337) 592-0080	1/4/2024
Richard Daigle	300 S 2nd Street Eunice, Louisiana 70535 (337) 457-2626	1/4/2024
Mark Guidry Chairman	P.O. Box 1757 Opelousas, Louisiana 70571 (337) 948-2513	1/4/2021
Marshall Moreau Vice Chairman	P.O. Box 1029 Opelousas, Louisiana 70571 (337) 948-6516	1/4/2022
Bobby Degueyter	P.O. Box 145 Leonville, Louisiana 70551 (337) 879-0035	1/4/2021
Russell Schexnaider	P.O. Drawer 1550 Opelousas, Louisiana 70571 (337) 407-1551	1/4/2022

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER DECEMBER 31, 2020

Agency Head Name: Jude Moreau, Director

Purpose	Amount
Salary	\$92,261
Benefits-insurance	9,414
Benefits-retirement	11,302

ST. LANDRY PARISH COMMUNICATIONS DISTRICT OPELOUSAS, LOUISIANA CORRECTIVE ACTION PLAN DECEMBER 31, 2020

Section I. Internal Control and Compliance Material to the Financial Statements

2020-001 - Shortage of Pledged Securities

Condition: Bank account balances at December 31, 2020 exceeded FDIC Insurance and pledged securities from Iberia Bank by \$43,755.

Views of Responsible Officials and Planned Corrective Action: Management is aware of this inadequacy and will monitor pledged securities more closely to ensure that all deposits are secure.

Section II. Internal Control and Compliance Material to Federal Awards

The District did not receive any federal awards in the current year.

Section III. Management Letter

This year's report did not include a management letter.

Responsible Party: Hede A. Moleson