

CADDO PARISH COMMUNICATIONS DISTRICT NUMBER ONE  
Board of Commissioners

6:00 p.m. Tuesday  
May 19, 2020

ECC Conference Room  
1144 Texas Avenue

Board Members Present: Fred McClanahan, Mike Irvin, Jackie Lewis, Clarence Babineaux,  
Van Anderson, John Robinson

Board Members Absent: Reverend Roy Thomas

Others Present: Martha Carter, Tommy Mazzone, Judy Rachal, (9-1-1 Staff); Charles Grubb  
(Legal Counsel); Guests: Director Martha Bryant (Caddo Parish Sheriff's Office)  
Ms. Aimee McFarland (Heard, McElroy, & Vestal, LLC)  
Dial-in meeting attendees: Mr. Jon Flair (Heard, McElroy, & Vestal, LLC) and Mr.  
Travis Morehart, CPA (Cook & Morehart)

Mr. McClanahan called the meeting to order and asked Ms. Rachal to take an official roll call. Ms. Rachal began the official roll call with Mr. Fred McClanahan – replied present; Mr. Mike Irvin – replied present; Mr. Clarence Babineaux – replied present; Mr. Van Anderson – replied present; Mr. John Robinson – replied present; Mr. Jackie Lewis – replied present. It was noted that Reverend Thomas was absent.

Mr. McClanahan asked if there were any comments from the public, who may have chosen to join the meeting via teleconference. There being none, Mr. McClanahan asked that the meeting proceed.

Mr. McClanahan asked for a motion to approve the Tuesday, April 21, 2020 meeting minutes. Mr. Babineaux moved to approve the minutes as submitted, and Mr. Lewis seconded the motion. The motion was unanimously approved.

Mr. McClanahan asked for a report on the April 30, 2020 compiled financial statements. Ms. Carter stated for the month of April, the District had monthly revenues of \$418,319.89. Monthly expenditures for April totaled \$507,657.64, which resulted in \$89,337.75 in expenditures over revenues. Of the \$507,657.64 in expenditures, \$51,759.56 was related to the new P25 radio system, and \$185,791.21 was for the mobile data infrastructure upgrade.

Ms. Carter stated cash-in-bank as of April 30, 2020 was \$8,452,036.29. Total Fixed Assets were \$39,942,598.11.

Mr. McClanahan asked for a report of the Independent Auditor's Annual Financial Report for the year ending December 31, 2019, for the District. Ms. Carter stated within the meeting room was Ms. Aimee McFarland of Heard, McElroy, and Vestal and by telephone Mr. Jon Flair, also of Heard, McElroy, and Vestal. Also joining by telephone was Mr. Travis Morehart, the District's CPA with Cook and Morehart. Ms. Carter stated she provided within the agenda package a **draft** copy of the Independent Auditors' Annual Financial Report. She explained that each year the audit team comes to the District's office and performs an audit of the financial records. She stated that this year was a little different due to the pandemic caused by the COVID-19 virus. She explained that the audit was performed mostly by sharing documents electronically and having them reviewed by the auditors remotely. Ms. Carter explained at the end of the audit process, one auditor came on premise to review those records that were required to be seen on-site. She stated that unfortunately, there was no time for the face-to-face discussions that the District's staff truly values.

Ms. Carter stated that each year she prefers to move directly to page 25 of the report, which is a summary of the audit results. The report stated that the District had complied with all laws, regulations, and contracts applicable to the District. She stated that the external audit did **not** disclose any material weaknesses in the

District's internal financial structure, and the audit tests did **not** disclose any instances of noncompliance, nor were there any deficiencies cited.

Ms. Carter asked Ms. McFarland if she or Mr. Flair would like to begin their report. Ms. McFarland stated she wanted to begin by saying thank you to the management and Board for allowing them to serve the District this way and giving an extra thank you for the flexibility to do this audit remotely. Ms. McFarland stated that by working together and remaining flexible, they were able to meet the time constraint of completing the audit one month earlier in the year, to meet the deadline request. Ms. McFarland stated that it seemed the whole world had learned to do things differently, but their standards had not changed for this or any of their audits, with the exception of not being on site.

Ms. McFarland asked Mr. Flair if he would like to continue explaining the audit report. Mr. Flair stated there were no big changes in the financial standing of the District between 2018 and 2019. He reported that there was a slight increase in total revenue and expenses. He stated that under the full accrual section there was a positive net change of \$76,000. He stated that long term debt balance was \$12,030,000. He explained that the District was committed on December 31, 2019 to a contract with Motorola for the purchase and installation of a parish-wide P25 digital radio system with the total amount being \$11,989,285. Payments of \$10,252,210 had been made as of the end of the fiscal year.

Mr. Flair wanted to highlight the statement on page 18, Section 12, that in March 2020, the World Health Organization declared the recent outbreak of the coronavirus (COVID-19) to be a pandemic, the impact of which was currently being assessed.

Mr. Flair further pointed out in pages 19-22 the extent of the additional supplementary and required information. Page 19 provided information concerning the budgetary comparison schedule, page 20 provided the budget comparison schedule, the required budget and budgetary data, and page 21 highlighted the supplementary information as required by Louisiana Revised Statute: 33:9109E. Page 21 also presented funding sources for Phase I and II enhancements as required by the FCC. Mr. Flair further explained that page 22 outlined the schedule of compensation to Martha Carter, as the agency head. He stated that in the front of the audit report was the MD&A, which was also required. Mr. Flair stated that due to the fact that the District did not have any exceptions to the Statewide Agreed-Upon Procedures (SAUPs) during the previous audit report, the District was not required to reply to SAUPs during this year's audit process.

Ms. McFarland stated that no footnotes would be added at this time as to the impact of the pandemic due to the continuing changes. Ms. Carter asked Ms. McFarland if an example concerning the quantitative effects of the pandemic on the District's revenue at year end would be cause for disclosure in the financial statements. Ms. McFarland replied that this would be reflected.

Mr. McClanahan asked Mr. Morehart for his input on the audit information. Mr. Morehart asked the Board to review page 5, specifically the amount \$6,230,867 listed against "Unassigned" in the fund balance. He stated that even if the economy takes a down turn, the District had sufficient operating reserves to "weather a storm." Mr. Morehart stated the District was in a good financial position and to please see page 25, which was the golden page.

Mr. McClanahan asked Ms. Carter for an update on the P25 radio system implementation. Ms. Carter stated that a face-to-face planning meeting had been scheduled for May 27, 2020 with Motorola, Shreveport Communications, the District's radio engineering consultant and District staff to review all outstanding issues and finalize the implementation schedule. She explained that once the cutover plan and implementation schedules had been finalized, the District would begin to host a series of meetings with the public safety agencies and local governmental entities to discuss the plan. She reported that the Motorola project manager was working to update a checklist of outstanding items, after resolving an existing core sync issue. She stated that Motorola believes that the core sync issue was related to the system not having the software and firmware upgrades that it needed. She stated that the system must be stable for 30-days before the District would accept that the problems had been resolved. Also, another critical item that would need to be resolved prior to

cutover included the installation, testing and training associated with the new digital voice logging/audio recording system for the Shreveport Police, Shreveport Fire and Caddo Parish Sheriff's Office Communications Divisions.

Mr. McClanahan asked for a report on the facility needs subcommittee meeting. Ms. Carter stated the Facility Needs Subcommittee comprised of Mr. Babineaux, Chair, Mr. Anderson, and Mr. Lewis met on Wednesday, May 6, 2020 via teleconference to discuss the Emergency Communications Center (ECC) facility refresh project. The Subcommittee discussed the originally budgeted facility refresh scope as well as the findings and recommendations of a security assessment completed by the Department of Homeland Security Cybersecurity and Infrastructure Security Agency (CISA) regarding the upgrade the facility's physical security. As a result of the additional items outlined with the CISA report, the subcommittee agreed that the scope of the facility refresh project needed to be expanded to incorporate these recommendations. Ms. Carter explained that due to the expansion of the scope, the project's cost may exceed public works construction procurement limits, which would require the development of a formal construction bid as opposed to seeking proposals. Due to the complexity of the project, Ms. Carter stated that the subcommittee felt that the commissioning of an architect would be in the District's best interest. Ms. Carter stated she would like to seek proposals for services from Newman & Marchive, who have worked with the District before and were familiar with the District's operations. Mr. Babineaux moved and Mr. Irvin seconded the motion to approve Ms. Carter seeking a proposal for architectural services. The motion was then unanimously approved.

Mr. McClanahan asked for consideration of a motion to approve the receipt of the External Financial Audit for the year ending December 31, 2019, for the Caddo Parish Communications District Number One as submitted by Heard, McElroy, and Vestal. Mr. Irvin moved and Mr. Anderson seconded the motion, which was unanimously approved.

Mr. McClanahan asked Ms. Carter for a report on the consideration of approving amendments to the Operating and Capital Outlay Budget for the District beginning January 1, 2020 and ending December 31, 2020. Ms. Carter stated the proposed amendments were necessary so that the budget would reflect the results of the external audit, which was recently completed by Heard McElroy & Vestal. She explained that the proposed amendments were based upon anticipated increases/decreases in revenue and expenditures within each line item. She stated that the proposed amended budget reflected an increase of \$552,902 in the Beginning Fund Balance from \$8,436,187 to \$8,989,089 as a result of the audit.

Ms. Carter further stated that the proposed amendments incorporate 5 new telecommunications service providers in Caddo Parish. She explained that one new line item had been added under Miscellaneous Revenue to include the reimbursement of monies from local governmental entities that the District purchased radios for in anticipation of the new P25 radio system. Additionally, she reported that the Property Acquisition line item had been carried forward from the 2019 Operating Budget in the amount of \$125,000 since the District was not able to finalize the purchase of the City of Shreveport's vacated Fire Station #17 in 2019.

Ms. Carter stated overall, the proposed amendments would increase the anticipated revenue by approximately \$612,800 from \$12,886,369 to \$13,499,169. In summation, the budget amendments as proposed would increase the 2020 Ending Fund Balance or Operating Reserves by approximately \$487,800 from \$3,773,934 to \$4,261,734.

Mr. Robinson moved to approve the resolution approving an amendment to the operating budget for the District for the period beginning January 1, 2020 and ending December 31, 2020. Mr. Babineaux seconded the motion, which was unanimously approved.

Mr. McClanahan asked for a report on the Consolidated Report of Statewide 9-1-1 Activity. Ms. Carter stated that pursuant to the Louisiana Revised Statute 33:9109.2 (C) the Communications Districts of the state of Louisiana were required to submit a consolidated report on statewide 9-1-1 communications activity to the House Committee on Commerce and to the Senate Committee on Commerce, Consumer Protection and Internal Affairs of the Louisiana Legislature by May 1st of each year. Ms. Carter stated that all 64 parishes

provided input, and the report was sent electronically, as well as via certified mail, return receipt requested to both committee chairs prior to the deadline.

Mr. McClanahan asked Ms. Carter if she had any new business. Ms. Carter stated she did not. With no further business to be brought before the Board, Mr. McClanahan adjourned the meeting.