

**NATCHITOCHEES PARISH
FIRE PROTECTION DISTRICT NO. 9**

**FINANCIAL REPORT
JUNE 30, 2020**

Natchitoches Parish Fire Protection District No. 9
Financial Report
June 30, 2020

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NATCHITOCHEES PARISH FIRE PROTECTION DISTRICT NO. 9

Campti, LA 71411

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Natchitoches Parish Fire District No. 9's (hereafter referred to as the District) annual financial report presents an overview and analysis of the District's financial activities for the year ended June 30, 2020. The intent of the MD&A is to look at the District's financial performance as a whole. It should, therefore, be read in conjunction with this report. Certain comparative information is presented to provide an overview of the District's operations.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and presents a longer-term view of the District's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

Government-Wide Financial Statements

- The Statement of Net Position presents all of the District's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the District's net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- The Statement of Activities presents information showing how the District's net position changed during the current year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

The services provided by the District are financed through a governmental fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District conducts its day-to-day operations through a governmental fund, the General Fund. These statements provide a short-term view of the District's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the District.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Position

	<u>2020</u>	<u>2019</u>
ASSETS:		
Assets	\$ 485,540	\$ 500,885
Capital Assets, Net of Accumulated Depreciation	<u>739,600</u>	<u>704,825</u>
Total Assets	<u>\$1,225,140</u>	<u>\$1,205,710</u>
LIABILITIES:		
Accounts Payable	\$ 1,777	\$ 2,368
Payroll Liabilities	<u>2,262</u>	<u>2,059</u>
Total Liabilities	<u>\$ 4,039</u>	<u>\$ 4,427</u>
NET POSITION:		
Net Investment in Capital Assets	\$ 739,600	\$ 704,825
Unrestricted	<u>481,501</u>	<u>496,458</u>
Total Net Position	<u>\$1,221,101</u>	<u>\$1,201,283</u>

Summary of Statement of Activities

	<u>2020</u>	<u>2019</u>
REVENUES:		
Revenues-		
Taxes	\$237,648	\$215,675
Intergovernmental	12,831	13,035
Other	<u>3,423</u>	<u>5,216</u>
Total Revenues	\$253,902	\$233,926
EXPENSES:		
Public Safety	<u>234,084</u>	<u>240,614</u>
Change in Net Position	\$ <u>19,818</u>	\$ <u>(6,688)</u>

- The District's assets exceeded its liabilities by \$1,221,101 (net position) for the current year and \$1,201,283 for the prior year.
- For the year ended June 30, 2020, unrestricted net position of \$481,501 represents the portion available to maintain the District's obligations to both citizens and creditors. For the year ended June 30, 2019, this was \$496,458.

General Fund Budgetary Highlights

The actual revenues were the same as budgeted amounts. Actual expenditures were more than the budgeted amount by \$1,647. This is primarily due to accruals of payables.

Economic Factors and Next Year's Budget

The primary revenue source for the District is property taxes. This tax is not subject to changes in the economy, in the short-term. However, in the long-term, significant increases/decreases in the tax base would be evident. The budget for FY 2020/2021 should not change significantly from the FY 2019/2020 budget unless new equipment is budgeted.

Contacting the Fire District

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the District at P. O. Box 287, Campti, LA 71411.

T | C | B | T
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Natchitoches Parish Fire
Protection District No. 9
Campti, LA 71411

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Natchitoches Parish Fire District No. 9 (District), a component unit of the Natchitoches Parish Government, as of and for the year ended June 30, 2020, which collectively comprise the District's basic financial statements as listed in the Table of Contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the District's personnel. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

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

Accountant's Conclusion

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

Other Matter Paragraphs

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Schedule on page 1 through 3 and page 24 be presented to supplement the basic financial statements:

Budgetary Comparison Schedule
Management's Discussion and Analysis

Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Other Reporting Requirements

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated September 25, 2020, on the results of our agreed-upon procedures on page 27 through 30. Pages 31 through 34 present the Louisiana Attestation Questionnaire, and status of prior year findings.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

September 25, 2020

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Natchitoches Parish Fire Protection District No. 9
Statement of Net Position
June 30, 2020

	<u>Governmental Activities</u>
ASSETS:	
Current Assets-	
Cash & Cash Equivalents	\$ 478,982
Prepaid Insurance	<u>6,558</u>
Total Current Assets	\$ 485,540
Non-current Assets-	
Capital Assets (Net)	<u>739,600</u>
Total Assets	<u>\$1,225,140</u>
LIABILITIES:	
Accounts Payable	\$ 1,777
Payroll Liabilities	<u>2,262</u>
Total Liabilities	<u>\$ 4,039</u>
NET POSITION:	
Net Investment in Capital Assets	\$ 739,600
Unrestricted	<u>481,501</u>
Total Net Position	<u>\$1,221,101</u>

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 9
Statement of Activities
For the Year Ended June 30, 2020

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net (Expenses) Revenues and Changes in Net Position Governmental Activities</u>
Governmental Activities:			
Public Safety	\$ <u>234,084</u>	\$ <u>0</u>	\$ <u>(234,084)</u>
	General Revenues:		
	Taxes-		
	Property Taxes		\$ 237,648
	Intergovernmental		12,831
	Interest		1,173
	Other		<u>2,250</u>
	Total General Revenues		\$ <u>253,902</u>
	Change in Net Position		\$ 19,818
	Net Position July 1, 2019		<u>1,201,283</u>
	Net Position June 30, 2020		<u>\$1,221,101</u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

Natchitoches Parish Fire Protection District No. 9
Balance Sheet-Governmental Fund
June 30, 2020

Assets:

Cash	\$478,982
Prepaid Insurance	<u>6,558</u>
Total Assets	<u>\$485,540</u>

Liabilities:

Accounts Payable	\$ 1,777
Payroll Liabilities	<u>2,262</u>
Total Liabilities	<u>\$ 4,039</u>

Fund Balance:

Unassigned	\$474,943
Nonspendable- Prepaid Expense	<u>6,558</u>
Total Fund Balance	<u>\$481,501</u>
Total Liabilities and Fund Balance	<u>\$485,540</u>

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 9
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
June 30, 2020

Total Fund Balance for the Governmental Fund at June 30, 2020 \$ 481,501

Total Net Position 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
Governmental Fund Balance Sheet. Those assets consist of:

Capital Assets (Net) 739,600

Total Net Position of Governmental Activities at June 30, 2020 \$1,221,101

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 9
Statement of Revenues, Expenditures and Changes in Fund Balance-
Governmental Fund
For the Year Ended June 30, 2020

REVENUES:	
Taxes-	
Ad Valorem Taxes	\$237,648
Intergovernmental-	
Fire Insurance Rebate	12,831
Miscellaneous-	
Interest	1,173
Other	<u>2,250</u>
Total Revenues	<u>\$253,902</u>
EXPENDITURES:	
Current-	
Accounting	\$ 6,550
Fuel & Oil	11,316
Repairs & Maintenance	48,461
Insurance	29,123
Office & Supplies	5,277
Payroll & Related Costs	32,191
Training	2,120
Utilities	3,821
Capital Expenditures	<u>130,000</u>
Total Expenditures	<u>\$268,859</u>
Deficiency of Revenues over Expenditures	\$ (14,957)
Fund Balance-Beginning of Year	<u>496,458</u>
Fund Balance-End of Year	<u>\$481,501</u>

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 9
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 June 30, 2020

Total Net Change in Fund Balance at June 30, 2020, per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (14,957)
The Change in Net Position reported for Governmental Activities in the Statement of Activities is different because:	
Capital Outlay	130,000
Depreciation Expense	<u>(95,225)</u>
Total Changes in Net Position at June 30, 2020, per Statement of Activities	<u>\$ 19,818</u>

See accompanying notes and independent accountant's review report.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Fire Protection District No. 9
Notes to Financial Statements
June 30, 2020

1. Introduction:

Natchitoches Parish Fire Protection District No. 9 was created in June 1982, by ordinance of the Natchitoches Parish Government. The District is governed by a Board of Commissioners comprised of 5 members. Two members are appointed by the Natchitoches Parish Government, two appointed by the Town of Campti, and a chairman selected by the other four members. The District was created to acquire buildings, machinery, equipment, and any other such things necessary to provide proper fire prevention and control within the District.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of Natchitoches Parish Fire Protection District No. 9 conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

A. Reporting Entity-

As the governing authority of the Parish, for reporting purposes, the Natchitoches Parish Government is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (parish 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 (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Natchitoches Parish Government for financial reporting purposes. The basic criteria 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
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish government created by ordinance Fire District No. 9, the District was determined to be a component unit of the Natchitoches Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Natchitoches Parish Fire Protection District No. 9
Notes to Financial Statements
June 30, 2020

B. Basis of Presentation-

The District's statements are prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting-

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

The major fund of the District is described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Natchitoches Parish Fire Protection District No. 9
Notes to Financial Statements
June 30, 2020

D. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits-

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 District.

Capital Assets-

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

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Natchitoches Parish Fire Protection District No. 9
Notes to Financial Statements
June 30, 2020

Depreciation of all exhaustible capital assets is recorded as an 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 the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, computers	5 years
Firefighting equipment	10 years
Ladders, hoses, air packs	7 years
Radios	10 years
Fire trucks	15 years
Other vehicles	5 years
Buildings	40 years

Equity Classifications-

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

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

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

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Natchitoches Parish Fire Protection District No. 9
Notes to Financial Statements
June 30, 2020

- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$481,501. If applicable, the District would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

F. Budget-

Prior to the beginning of each fiscal year, the Natchitoches Parish Fire Protection District No. 9 adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

G. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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.

3. Cash and Cash Equivalents:

The cash and cash equivalents of the Natchitoches Parish Fire Protection District No. 9 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.

Natchitoches Parish Fire Protection District No. 9
Notes to Financial Statements
June 30, 2020

Bank account balances at June 30, 2020, totaled \$479,549, and of this amount \$250,000 was secured by FDIC Insurance. The remaining amount of \$229,549 was secured with pledged securities from City Bank & Trust.

4. Compensated Absences:

The District did not have a formal leave policy at June 30, 2020; therefore, no entry is made to record compensated absences.

5. Ad Valorem Taxes:

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District in June or July and are actually billed to taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are recognized as revenue when billed. The Natchitoches Parish Sheriff's office bills and collects property taxes using the assessed values determined by the Tax Assessor of Natchitoches Parish. Collections are remitted to the District monthly. The District recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	December 16
Total taxes are due	December 31
Penalties and interest added	January 31
Lien date	January 31
Tax Sale	May 15

The District is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the District. Property taxes are recorded as receivables and revenues in the year assessed.

Assessed values are established by the Natchitoches Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2016. Total assessed value was \$46,663,806 in 2016. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$3,818,720 of the assessed value in 2016. For the year ended June 30, 2020, taxes of 4.97 mils had been levied on the property and dedicated to fire protection.

Natchitoches Parish Fire Protection District No. 9
Notes to Financial Statements
June 30, 2020

6. Related Party Transactions:

The District had no identified related party transactions for the year ended June 30, 2020.

7. Compensation Paid to Board Members:

The Board of Commissioners of the District receive no compensation for their services.

8. Pending Litigation:

The District had no identified civil suits seeking damages at June 30, 2020.

9. Capital Assets:

Capital asset balances and activity for the year ended June 30, 2020, is as follows:

Governmental Activities	Balance <u>07-01-19</u>	Additions	Deletions	Balance <u>06-30-20</u>
Capital Assets Depreciated:				
Other Equipment	\$ 52,625	\$ 0	\$0	\$ 52,625
Firefighting equipment	275,609	0	0	275,609
Fire trucks	1,533,146	130,000	0	1,663,146
Buildings	<u>172,701</u>	<u>0</u>	<u>0</u>	<u>172,701</u>
Total Assets	<u>\$2,034,081</u>	<u>\$130,000</u>	<u>\$0</u>	<u>\$2,164,081</u>
Less, Accumulated Depreciation:				
Other Equipment	\$ 50,093	\$ 846	\$0	\$ 50,939
Firefighting equipment	263,562	3,504	0	267,066
Fire trucks	920,268	86,046	0	1,006,314
Buildings	<u>95,333</u>	<u>4,829</u>	<u>0</u>	<u>100,162</u>
Total Depreciation	<u>\$1,329,256</u>	<u>\$ 95,225</u>	<u>\$0</u>	<u>\$1,424,481</u>
Net Capital Assets	<u>\$ 704,825</u>	<u>\$ 34,775</u>	<u>\$0</u>	<u>\$ 739,600</u>

Depreciation expense of \$95,225 was charged to the public safety function.

10. Subsequent Events:

Management has evaluated events through September 25, 2020, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED
SUPPLEMENTARY INFORMATION

Natchitoches Parish Fire Protection District No. 9
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2020

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Taxes-				
Ad Valorem	\$228,710	\$237,648	\$237,648	\$ 0
Intergovernmental-				
Fire Insurance Rebate	0	12,831	12,831	0
Miscellaneous-				
Interest	2,044	1,173	1,173	0
Other	<u>3,172</u>	<u>2,250</u>	<u>2,250</u>	<u>0</u>
Total Revenues	<u>\$233,926</u>	<u>\$253,902</u>	<u>\$253,902</u>	<u>\$ 0</u>
EXPENDITURES:				
Current-				
Accounting	\$ 6,550	\$ 6,550	\$ 6,550	\$ 0
Fuel & Oil	14,107	12,740	11,316	1,424
Repairs & Maintenance	44,159	45,824	46,330	(506)
Insurance	25,087	26,795	29,123	(2,328)
Office Supplies	2,887	2,306	2,256	50
Lease on Lots	200	200	200	0
Payroll & Related Costs	29,734	32,191	32,191	0
Supplies	6,301	2,456	2,821	(365)
Equipment – Non-asset	27,863	2,131	2,131	0
Training	1,173	2,120	2,120	0
Utilities	4,166	3,899	3,821	78
Capital Expenditures	<u>0</u>	<u>130,000</u>	<u>130,000</u>	<u>0</u>
Total Expenditures	<u>\$162,227</u>	<u>\$267,212</u>	<u>\$268,859</u>	<u>\$(1,647)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 71,669	\$(13,310)	\$ 14,957	\$(1,647)
Fund Balance-Beginning of Year	<u>496,458</u>	<u>496,458</u>	<u>496,458</u>	<u>0</u>
Fund Balance-End of Year	<u>\$591,182</u>	<u>\$483,148</u>	<u>\$481,501</u>	<u>\$(1,647)</u>

See independent accountant's review report.

Natchitoches Parish Fire Protection District No. 9
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended June 30, 2020

Agency Head Name: Doug Rachal, Fire Chief

<u>Purpose</u>	<u>Amount</u>
Reimbursements	<u>\$ 4,713</u>

OTHER REPORTS

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation
Roger M. Cunningham, CPA - A Professional Corporation
Jessica H. Broadway, CPA - A Professional Corporation
Ryan E. Todtenbier, CPA - A Professional Corporation

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

Natchitoches Parish Fire
Protection District No. 9
Campti, LA 71411

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Natchitoches Parish Fire Protection District No. 9 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Natchitoches Parish Fire District No. 9's compliance with certain laws and regulations during the year ended June 30, 2020, included in the Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 36:1551-39:1755 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures found to be in violation.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

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

3. Obtain a list of all employed paid during the fiscal year.

Management provided us with the requested list.

4. Report whether any employees' names appear on both lists obtained by Procedures 2 and 3.

No instances that would fall under the above circumstances were found.

5. Obtain a list of all disbursements made during the year; and a list of outside business interest of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the business interests of board members, employees, and their immediate families appeared as vendors on the list of disbursements.

BUDGETING

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

Management provided us with a copy of the original and amended budgets.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

We traced adoption of the original budget to the documentation in the minutes of the meeting of the District's commissioners held on February 18, 2020. Management represented that there were amendments to the budget.

8. Compare the revenues and expenditures of the final budget to actual budget revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures for the final budget to actual revenues and expenditures. Actual revenues and expenditures did not exceed the budgeted amounts by more than 5%.

ACCOUNTING AND REPORTING

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

Each of the six selected disbursements agreed to the amount and payee in the supporting documentation.

- (b) Report whether the six disbursements were coded to the correct fund and general ledger account.

Each of the six selected disbursements were coded to the correct general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

The District's policies and procedures state that the chairman of the District's Board of Commissioners must approve all disbursements, with subsequent approval by the full board. Documentation supporting each of the six selected disbursements included the signature of the chairman of the Board of Commissioners. In addition, approval by the full commission of each disbursement was traced to the District's minute book.

MEETINGS

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Although management has asserted that such documents were properly posted, no evidence was provided to support management's assertion other than an unmarked copy of the notices and agendas.

DEBT

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State of Bond Commissions, and report any exceptions.

We scanned copies off all bank deposit slips for the fiscal year, and noted no deposits which appeared to be the proceeds of bank loans, bonds, or like indebtedness.

ADVANCES AND BONUSES

12. Obtain a list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that many constitute bonuses, advances, or gifts.

We scanned payroll disbursements and read the meeting minutes for the fiscal year. We found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

STATE AUDIT LAW

13. Report whether they agency provided for a timely report in accordance with R.S. 24:513.

The District's report is due December 31, 2020 and was submitted in a timely manner.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. .8:2211, et seq.), while the agency was not in compliance with the R.S 24:513 (the audit law).

Management represented that the District did not enter into any contracts that utilized state funds.

PRIOR YEAR CONTRACTS

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

Our prior year report, dated September 19, 2019, did not include any suggestions, exceptions, recommendations, or comments.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

September 25, 2020

NATCHITOCHE PARISH FIRE DISTRICT NO. 9
LOUISIANA ATTESTATION QUESTIONNAIRE

Thomas, Cunningham, Broadway & Todtenbier, CPAs
321 Bienville Street
Natchitoches, LA 71457

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2020, and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes No

Code of Ethics for Public Officials and Public Employees

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

Yes No

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

Yes No

Budgeting

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

Yes No

Accounting and Reporting

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

Yes No

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

Yes No

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

Yes No

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

Yes No

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes No

The previous responses have been made to the best of our belief and knowledge.

Signed by and title Mark Fenbough

Natchitoches Parish Fire Protection District No. 9
Status of Prior Year Audit Findings
For the Year Ended June 30, 2020

For the year ended June 30, 2019, the district had the following compliance finding:

2019-001 Local Government Budget Act

Condition – For the year ended June 30, 2019, the district failed to amend the budget when the actual expenditures exceeded budgeted expenditures by more than 5% as allowed.

Status – This finding was cleared as of June 30, 2020.