

ST. LANDRY PARISH FIRE PROTECTION
DISTRICT NO. 1

FINANCIAL REPORT

DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
St. Landry Parish Fire Protection District No. 1
Krotz Springs, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities of the St. Landry Parish Fire Protection District No. 1, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the St. Landry Parish Fire Protection District No. 1's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the St. Landry Parish Fire Protection District No. 1, as of December 31, 2021, and the respective changes in financial position, thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the St. Landry Parish Fire Protection District No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the St.

Landry Parish Fire Protection District No. 1's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the St. Landry Parish Fire Protection District No. 1's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the St. Landry Parish Fire Protection District No. 1's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 on pages 32 through 34 be presented to supplement the basic financial statements. Such information is the responsibility of management and,

although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Landry Parish Fire Protection District No. 1's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head, 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to agency head are 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 May 20, 2022, on our consideration of the St. Landry Parish Fire Protection District No. 1'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Landry Parish Fire Protection District No. 1's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with

Government Auditing Standards in considering St. Landry Parish Fire Protection District No. 1's internal control over financial reporting and compliance.

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

Eunice, Louisiana

May 20, 2022

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS
(GWFS)

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Statement of Net Position

December 31, 2021

ASSETS	
Cash and equivalents	\$ 2,216,915
Property tax receivable	1,013,163
Revenue sharing receivable	13,390
Other receivable	107
Prepaid expenses	37,990
Capital assets	
Non-depreciable	104,800
Depreciable, net of accumulated depreciation	<u>1,448,129</u>
Total assets	<u>4,834,494</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>231,397</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	<u>44,423</u>
Total current liabilities	<u>44,423</u>
Noncurrent Liabilities:	
Net pension liability	<u>571,315</u>
Total noncurrent liabilities	<u>571,315</u>
Total liabilities	<u>615,738</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	<u>382,187</u>
Net Position:	
Investments in capital, net of related debt	1,448,129
Unrestricted	<u>2,619,837</u>
Total net position	<u>\$ 4,067,966</u>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1
Statement of Activities
For the Year Ended December 31, 2021

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		Net (Expense)
		<u>Fees, Fines, and Charges for Services</u>	<u>Capital and Operating Grants</u>	<u>Revenue and Changes in Net Position</u>
				<u>Governmental Activities</u>
Governmental activities:				
General government				
Public safety	\$ 1,138,131	\$ -	\$ -	\$ (1,138,131)
Total governmental activities	<u>\$ 1,138,131</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,138,131)</u>

General revenues:

Taxes

Property taxes	1,019,927
Revenue sharing	13,390
Fire insurance tax	7,709
State supplemental pay	42,000
Pension subsidy	32,979
Nonemployer pension contributions	46,055
Interest earnings	6,141
Dividend from LWCC	19,333
Total general revenues	<u>1,235,230</u>

Change in net position 97,099

Net Position - December 31, 2020 3,970,867

Net Position - December 31, 2021 \$ 4,067,966

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Balance Sheet
Governmental Fund
December 31, 2021

ASSETS

Cash and cash equivalents	\$ 2,216,915
Property taxes receivable, net	1,013,163
Revenue sharing receivable	13,390
Prepaid expense	12,625
Other receivable	<u>107</u>
Total assets	<u>\$ 3,256,200</u>

LIABILITIES AND FUND BALANCES

Deferred inflows of resources:	
Unavailable revenues - property taxes	\$ 18,123
Total deferred inflows of resources	<u>18,123</u>
Liabilities:	
Accounts payable	4,762
Accrued liabilities	27,883
Retirement payable	<u>11,778</u>
Total liabilities	<u>44,423</u>
Fund balances:	
Unassigned	<u>3,193,654</u>
Total fund balances	<u>3,193,654</u>
Total liabilities and fund balances	<u>\$ 3,256,200</u>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1
 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Position
 December 31, 2021

Total fund balance for governmental fund at December 31, 2021		\$ 3,193,654
Total net assets reported for governmental activities in the statement of net position is different because:		
The statement of net position reports receivables at their net value. However, receivables not available to pay for current period expenditures are deferred in governmental funds.		
Property tax		18,123
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, 2021	\$ 3,097,372	
Less: Accumulated depreciation	<u>(1,544,443)</u>	1,552,929
Amounts related to pension recognition are not due and payable in the current period and, therefore, are not reported in the funds		
		(722,105)
Prepaid insurance		<u>25,365</u>
Total net position of governmental activities at December 31, 2021		<u><u>\$ 4,067,966</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Statement of Revenues, Expenditures,
and Changes in Fund Balance - Governmental Fund
For the Year Ended December 31, 2021

Revenues:	
Taxes:	
Ad valorem	\$ 1,040,706
Intergovernmental:	
State revenue sharing	13,390
Fire insurance rebate	7,709
State supplemental pay	42,000
Pension subsidy	32,979
Interest earnings	6,141
Dividend from LWCC	19,333
	<hr/>
Total Revenues	1,209,954
	<hr/>
Expenditures:	
Current - public safety	
Board per diem	5,040
Salaries	506,590
Benefits	326,066
Equipment costs	112,702
Occupancy costs	28,140
Insurances	85,933
Pension deduction	36,996
Office and administration	34,594
Rescue runs, standby and volunteer	10,305
Capital outlay	441,281
	<hr/>
Total Expenditures	1,587,647
	<hr/>
Net change in fund balance	(377,693)
Fund balance, beginning	3,571,347
	<hr/>
Fund balance, ending	\$ 3,193,654
	<hr/> <hr/>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to
 the Statement of Activities
 For the Year Ended December 31, 2021

Total net changes in fund balance at December 31, 2021 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ (377,693)
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.		
Property tax		(20,779)
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	\$ 441,281	
Depreciation expense for the year ended December 31, 2021	<u>(95,601)</u>	345,680
Net effect of pension liability recognition		145,170
Difference in prepaid insurance between modified accrual basis and accrual basis		<u>4,721</u>
Total changes in net position at December 31, 2021 per Statement of Activities		<u>\$ 97,099</u>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

INTRODUCTION

The entity being reported on is the St. Landry Parish Fire Protection District No. 1, which is a component unit of the St. Landry Parish Government. The financial report includes all funds over which the District exercises oversight responsibility. This responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

The District was created by the St. Landry Parish Police Jury as authorized by Louisiana Revised Statute 40:1496. The District is governed by a Board of Commissioners, which consists of five commissioners. Two commissioners are appointed by the parish governing authority, two by the governing body of the municipal corporation in the District, and the fifth is selected by the other four members and serves as chairman.

The District was established for the purpose of acquiring, maintaining, and operating buildings, machinery, equipment, water tanks, water hydrants and water lines, and any other things necessary to provide proper fire prevention and control to the property within the District.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-wide and Fund Financial Statements

The government financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the St. Landry Parish Fire Protection District No. 1. 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.

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 clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The St. Landry Parish Fire Protection District No. 1 reports the following governmental fund:

The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

The entity's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the St. Landry Parish Fire Protection District No. 1's investment policy allow the entity to invest in collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. Investments are reported at fair value.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Note to Financial Statements

D. Receivables and Payables

The District's property tax is levied each November 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Property taxes are due on November 1 and become delinquent by January 1 of the following year. The St. Landry Parish Sheriff bills, collects, and distributes the property taxes for the District using the assessed values determined by the Tax Assessor of St. Landry Parish.

The millage assessed by the District in 2021 was 21.10 mills.

Uncollectible amounts due for property tax receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectible accounts totaled \$4,321 at December 31, 2021.

Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and accordingly, have not been recorded as revenue.

There were no interfund receivables/payables at December 31, 2021.

E. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental 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 St. Landry Parish Fire Protection District No. 1 capitalizes all capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	20 years
Buildings and building improvements	15-60 years
Furniture and fixtures	5-10 years
Equipment and fire trucks	5-60 years

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

E. Capital Assets - Continued

Interest costs incurred on fixed assets, if any, are not capitalized.

F. Compensated Absences

No accrual has been made for vacation or sick pay due to the insignificance of the amounts involved.

G. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

H. Equity Classifications

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

- a. Invested in capital assets, net of related debt – 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.
- b. 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.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted: or “invested in capital assets, net of related debt.”

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

H. Equity Classifications - Continued

In the fund financial statements, governmental funds report 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 fund balance. This classification 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.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the fire district's board – 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.

Assigned fund balance. This classification reflects the amounts constrained by the fire district's "intent" to be used for specific purposes but are neither restricted nor committed. The fire district's board and management 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 fund balance. 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 an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers the amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

I. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB required 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.

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget Information

The District adopts an annual budget for the General Fund. The annual budget is prepared on the GAAP basis of accounting. The Board adopts its budget prior to the beginning of the fiscal year. Any revisions that alter total revenues or expenditures must be approved by the Board. Prior to year-end, the Board adopts an amended budget approving such additional revenues or expenditures. Any budgetary appropriations lapse at the end of each fiscal year.

The District adopted a budget for calendar year 2021.

The St. Landry Parish Fire Protection District No. 1 had actual revenues that were less than budgeted revenues by greater than 5% at the year ended December 31, 2021.

The general fund had actual expenditures in excess of appropriations for the year ended December 31, 2021.

	Original Budget	Final Budget	Actual	Excess
Total Expenditures	<u>\$ 1,338,855</u>	<u>\$ 1,528,402</u>	<u>\$ 1,587,647</u>	<u>\$ (59,245)</u>

The Fire District did not have a deficit fund balance at December 31, 2021.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

3. CASH AND INVESTMENTS

At December 31, 2021, the Fire District had cash, interest-bearing deposits, and investments as follows:

	<u>Bank Balance</u>	<u>Book Balance</u>
Demand deposits		
Non-interest-bearing- St Landry Bank	\$ 1,856,512	\$ 1,849,812
Interest-bearing deposits- St. Landry Bank	366,603	366,603

Under state law, these deposits in financial institutions must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must, at all times, be equal to the amount on deposit with the bank. At December 31, 2021, deposits in financial institutions were secured by federal deposit insurance in the amount of \$250,000 for interest bearing accounts and \$250,000 for non-interest bearing accounts, and the market value of securities pledged in the District's name in the amount of \$3,121,781.

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3) 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 had failed to pay deposited funds upon demand.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

4. CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2021 are as follows:

	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021
Capital assets not being depreciated:				
Land	\$ 74,000	\$ 30,800	\$ -	\$ 104,800
Other capital assets:				
Land improvements	2,313	-	-	2,313
Buildings	844,977	-	4,015	840,962
Equipment	1,752,712	408,890	40,425	2,121,177
Furniture and fixtures	20,279	1,591	615	21,255
Buildings, land and improvements	6,865	-	-	6,865
Totals	<u>2,701,146</u>	<u>441,281</u>	<u>45,055</u>	<u>3,097,372</u>
Less accumulated depreciation				
Land improvements	2,134	66	-	2,200
Buildings	365,246	17,991	4,015	379,222
Equipment	1,105,815	76,662	40,425	1,142,052
Furniture and fixtures	17,098	517	615	17,000
Buildings, land and improvements	3,604	365	-	3,969
Total accumulated depreciation	<u>1,493,897</u>	<u>95,601</u>	<u>45,055</u>	<u>1,544,443</u>
Net capital assets	<u>\$ 1,207,249</u>	<u>\$ 345,680</u>	<u>\$ -</u>	<u>\$ 1,552,929</u>

5. ON-BEHALF PAYMENTS

The State of Louisiana paid the District's firefighters supplemental pay of \$42,000. These amounts are included in the accompanying financial statements as revenues and expenditures.

6. COMPENSATION OF BOARD MEMBERS

Members of the District's Board of Commissioners receive a per diem of \$80 per meeting attended. Total Board per diem paid for the year ended December 31, 2021 is as follows:

Donald Pitre	\$ 960
James A Cox	960
Jeff Morrow	1,040
Juanita W Reed	1,040
Shaun Dupre	1,040
Total	<u>\$ 5,040</u>

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

7. RISK MANAGEMENT

The District is exposed to risks of loss in the areas of general and auto liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year. Settlements have not exceeded insurance coverage during the current fiscal year and the two preceding fiscal years. Insurance coverage appears adequate for the fiscal year ended December 31, 2021.

8. EVALUATION OF SUBSEQUENT EVENTS

The District has evaluated subsequent events through May 20, 2022, the date which the financial statements were available to be issued.

9. 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, as amended, are effective for fiscal years beginning after June 15, 2021. Earlier application is encouraged. Management has not determined the effect of this Statement on the financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN

Substantially all of the employees (15) of the St. Landry Parish Fire Protection District No. 1 are members of the Firefighters Retirement System.

Firefighters' Retirement System

The Firefighters' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the System is a condition of employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish or fire protection district of the State of Louisiana in addition to employees of the Firefighters' Retirement System. The System provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any person who becomes an employee as defined in R.S. 11:2252 on and after January 1, 1980, shall become a member as a condition of employment. Members in the System consist of full-time firefighters, eligible employees of the retirement system, or any person in a position as defined in the municipal fire and police civil service system that earns at least \$375 per month, excluding state supplemental pay, and is employed by a fire department of any municipality, parish, or fire district of the state of Louisiana, except for Orleans Parish and the City of Baton Rouge.

No person who has attained age 50 or over shall become a member of the System unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of 50. No person who has not attained the age of 18 years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN - Continued

Retirement Benefits

Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If employees terminate before rendering 12 of service, they forfeit the right to receive the portion of their accumulated plan benefits in the form of a joint and survivor annuity.

Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven options at retirement.

See R.S. 11:2256(A) for additional details on retirement benefits.

Disability Benefits

A member who acquires a disability, and who files for disability benefits while in service, and who upon medical examination and certification as provided for in Title 11, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

Death Benefits

Benefits shall be payable to the surviving eligible spouse or designated beneficiary of a deceased member as specified in R.S. 11:2256(B) & (C).

Deferred Retirement Option Plan

After completing 20 years of credible service and age 50 or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No payments may be made from the deferred retirement option plan account until the participant retires.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN - Continued

Initial Benefit Option Plan

Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 amounts of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as a DROP account.

Cost of Living Adjustment (COLAs)

Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to R.S. 11:241, the board may also grant an increase in the form of "X x (A + B)," where "X" is any amount up to \$1 per month, and "A" is equal to the number of years of credited service accrued at retirement or at death of the member or retiree, and "B" is equal to the number of years since retirement or since death of the member or retiree to June 30th of the initial year of such increase.

Funding Policy - State statute requires covered employees to contribute 10.00 percent of their salaries to the system. The District is required to contribute 32.25 percent from January through June and 33.75% from July through December, of covered employees' salaries. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contribution to the System for the years ending December 31, 2021 and 2020 were \$143,756 and \$119,939, respectively, equal to the required contributions for the year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809-1752, or by calling (225) 925-4060.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the District reported a liability of \$571,315 for its proportionate share of the net pension liability for the FRS plan. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the FRS pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the District's proportion was 0.161213%, which was an increase of 0.00262% from its proportion measured as of June 30, 2020.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN - Continued

For the year ended December 31, 2021, the District recognized pension expense of \$44,641 which includes employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

Non-employer contributions

The System 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. The District recognized \$46,055 of non-employer contribution revenue.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (346,707)
Changes in assumptions	123,800	-
Net difference between projected and actual earnings on pension plan investments	8,153	(51,305)
Changes in proportion and differences between employer contributions and proportionate share of contributions	22,479	15,825
Employer contributions subsequent to measurement date	76,965	-
Total	<u>\$ 231,397</u>	<u>\$ (382,187)</u>

The District reported a total of \$76,965 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2021, which will be recognized as a reduction in net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN - Continued

Year Ended June 30:	FRS
2022	\$ (54,382)
2023	(52,404)
2024	(72,009)
2025	(97,106)
2026	12,201
2027	10,391
Total	<u>\$ (253,309)</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 is as follows:

	FRS
Valuation date	June 30, 2021
Actuarial cost method	Entry age normal cost
Expected remaining service life	7 years, closed period
Investment rate of return	6.90% per annum
Inflation rate	2.50% per annum
Salary increases	Vary from 14.10% in the first two years of service to 5.20% after 25 years of service
Cost of living adjustments	Only those previously granted

The mortality rate assumptions were updated in fiscal year 2021 to reflect changes from the recent experience study and rates set in the Pub-2010 Public Retirement Plans mortality tables, as compared to the RP-2000 Combined Healthy and Disabled Lives tables that were used for the previous valuation. For the June 30, 2021 valuation, assumptions for mortality rates were based on the following:

- For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.
- For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN - Continued

- For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees.
- In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

The estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation and the G.S. Curran & Company Consultant Average study for 2021. The consultants' average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from a number of investment consultants and investment management firms. Each consultant's response included nominal expected long term rates of return. In order to arrive at long term expected arithmetic real rates of return, the actuary normalized the data received from the consultant's responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long term standard deviation and then reduced the assumption by the long term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2021.

The long-term expected real rate of return is an important input into the actuary's determination of the reasonable range for the discount rate which is used in determining the total pension liability. Prior year's financial reports presented the long-term expected real rate of return provided by the System's investment consultant, whereas this year's report presents this information for both fiscal years 2021 and 2020 from the System's actuary. The actuary's method incorporates information from multiple consultants and investments firms regarding future expected rates of return, variances, and correlation coefficients for each asset class. The actuary's method integrates data from multiple sources to produce average values thereby reducing reliance on a single data source.

Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of June 30, 2021 and June 30, 2020, are summarized in the following tables:

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN - Continued

	Asset Type	Target Asset Allocation	Long-Term Expected Real Rate of Return
Equity	U.S. Equity	27.50%	5.86%
	Non-U.S. Equity	11.50%	6.44%
	Global Equity	10.00%	6.40%
	Emerging Market Equity	7.00%	8.69%
Fixed Income	U.S. Core Fixed Income	18.00%	0.97%
	U.S. Tips	3.00%	0.40%
	Emerging Market Debt	5.00%	2.75%
Multi-Asset Strategies	Global Tactical Asset Allocation	0.00%	4.17%
	Risk Parity	0.00%	4.17%
Alternatives	Real Estate	6.00%	5.31%
	Real Assets	3.00%	0.00%
	Private Equity	9.00%	9.53%
		<u>100.00%</u>	

The discount rate used to measure the total pension liability was 6.90%. 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 will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. 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.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the District's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System as well as what the District's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Notes to Financial Statements

10. PENSION PLAN - Continued

FRS	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Rates	5.90%	6.90%	7.90%
NPL	\$ 1,096,026	\$ 571,315	\$ 133,712

The components of the net pension liability of the System's employers as of June 30, 2021 and 2020, are as follows:

	<u>2020</u>	<u>2021</u>
Total Pension Liability	\$ 4,013,692	\$ 4,322,417
Plan Fiduciary Net Position	(2,914,411)	(3,751,102)
Employers Net Pension Liability	<u>\$ 1,099,281</u>	<u>\$ 571,315</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	72.61%	86.78%

Retirement System Audit Report

The System issued a standalone audit report on its financial statements for the year ended June 30, 2021. Access to the audit report can be found on the Louisiana Legislative Auditor's official website, www.la.gov and the System's website, www.ffret.com.

11. PENDING LITIGATION

There is no pending litigation as of December 31, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Budgetary Basis) and Actual - General Fund
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes:				
Ad valorem	\$ 1,150,522	\$ 1,151,516	\$ 1,040,706	\$ (110,810)
Intergovernmental:				
State revenue sharing	14,200	13,567	13,390	(177)
Fire insurance rebate	7,800	7,709	7,709	-
State supplemental pay	42,000	42,000	42,000	-
Pension subsidy	37,000	36,996	32,979	(4,017)
Interest earnings	6,600	3,585	6,141	2,556
Dividend from LWCC	-	-	19,333	19,333
Miscellaneous	-	25,229	47,696	22,467
Total Revenues	1,258,122	1,280,602	1,209,954	(70,648)
Expenditures:				
Current - public safety				
Board per diem	4,800	5,040	5,040	-
Salaries	444,455	503,490	506,590	(3,100)
Benefits	284,300	315,660	326,066	(10,406)
Equipment costs	64,100	111,648	112,702	(1,054)
Occupancy costs	29,500	29,806	28,140	1,666
Insurances	80,000	85,000	85,933	(933)
Pension deduction	37,000	36,996	36,996	-
Office and administration	35,900	34,594	34,594	-
Rescue runs, standby and volunteer	8,800	10,305	10,305	-
Capital outlay	350,000	395,863	441,281	(45,418)
Total Expenditures	1,338,855	1,528,402	1,587,647	(59,245)
Net change in fund balance	\$ (80,733)	\$ (247,800)	(377,693)	\$ (129,893)
Fund balance, beginning			3,571,347	
Fund balance, ending			\$ 3,193,654	

See Notes to Required Supplementary Information.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. I

Schedule of Employer's Proportionate Share of Net Pension Liability
For the Year Ended December 31, 2021

	Fiscal Year	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of It's Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
FRS	2021	0.161213%	\$ 571,315	\$ 435,150	131.29%	86.78%
FRS	2020	0.158591%	\$ 1,099,281	\$ 400,223	274.67%	72.61%
FRS	2019	0.159782%	\$ 1,000,541	\$ 392,651	254.48%	73.96%
FRS	2018	0.159028%	\$ 914,741	\$ 376,955	242.67%	68.16%
FRS	2017	0.157165%	\$ 900,846	\$ 369,049	244.10%	73.55%
FRS	2016	0.155444%	\$ 1,016,744	\$ 358,541	283.57%	68.15%
FRS	2015	0.162251%	\$ 875,687	\$ 344,970	253.84%	72.44%
FRS	2014	0.170915%	\$ 760,557	\$ 339,880	223.77%	76.01%

This schedule will contain ten years of historical information once such information becomes available.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

Schedule of Employer's Pension Contribution
For the Year Ended December 31, 2021

	Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
FRS	2021	\$ 143,756	\$ 143,756	\$ -	\$ 435,150	33.04%
FRS	2020	\$ 119,939	\$ 119,939	\$ -	\$ 400,223	29.96%
FRS	2019	\$ 106,450	\$ 106,450	\$ -	\$ 392,651	27.11%
FRS	2018	\$ 99,893	\$ 99,893	\$ -	\$ 376,955	26.50%
FRS	2017	\$ 95,921	\$ 95,921	\$ -	\$ 369,049	25.99%
FRS	2016	\$ 94,108	\$ 94,108	\$ -	\$ 358,541	26.24%
FRS	2015	\$ 97,982	\$ 97,982	\$ -	\$ 344,970	28.40%
FRS	2014	\$ 97,713	\$ 97,713	\$ -	\$ 339,880	28.75%

This schedule will contain ten years of historical information once such information becomes available.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1 Budgets and Budgetary Accounting

The budget for General Fund operations is adopted by the St. Landry Parish Fire Protection District No. 1 for its appropriations with its budgetary regulations and on a basis consistent with generally accepted accounting principles.

Note 2 Pension Plans

Changes of Assumption – 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

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

To the Board of Commissioners
St. Landry Parish Fire Protection District No. 1
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 St. Landry Parish Fire Protection District No. 1, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise St. Landry Parish Fire Protection District No. 1's basic financial statements, and have issued our report thereon dated May 20, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. Landry Parish Fire Protection District No. 1's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Landry Parish Fire Protection District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Landry Parish Fire Protection District No. 1'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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

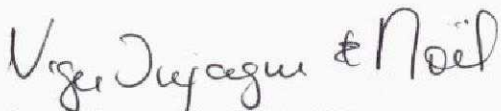
As part of obtaining reasonable assurance about whether St. Landry Parish Fire Protection District No. 1's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which 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 2021-001.

St. Landry Parish Fire Protection District No. 1's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the St. Landry Parish Fire Protection District No. 1's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The St. Landry Parish Fire Protection District No. 1's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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, Tujague & Noël, CPA's
Eunice, Louisiana
May 20, 2022

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1
Schedule of Findings and Responses
Year Ended December 31, 2021

We have audited the financial statements of St. Landry Parish Fire Protection District No. 1 as of and for the year ended December 31, 2021 and have issued our report dated May 20, 2022. 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, 2021 resulted in an unmodified opinion.

Section I Summary of Auditors' Reports

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

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes None reported

Compliance

Compliance Material to Financial Statements Yes No

No separate management letter was issued.

Section II Financial Statement Findings

2021-001 – Budget Variance

Condition: Total budgeted revenues exceeded total actual revenues by greater than 5%.

Criteria: The Local Government Budget Act (R.S. 396:1301-1314) states that total budgeted revenues should not exceed total actual revenues by greater than 5% and total actual expenditures should not exceed total budgeted expenditures by greater than 5%. When this occurs, the budget should be amended prior to year end.

Cause: The budget was not properly amended to account for the accrual of ad valorem tax.

Effect: Failure to properly amend the budget resulted in a variance greater than 5% of budgeted revenues and resulted in noncompliance with budget laws.

Recommendation: We recommend that the Fire District make the necessary amendments to the budget prior to year end for the accrual of ad valorem tax receipts.

Response: The Fire District will make necessary amendments to the budget prior to year end for accrual of revenues.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1
Schedule of Findings and Responses (continued)
Year Ended December 31, 2021

Section III Internal Control and Compliance Material to Federal Awards

There were no federal awards for the year ended December 31, 2021.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. I
Schedule of Prior Year Findings
Year Ended December 31, 2021

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 St Landry Bank by \$1,742,150.

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. There was an error in the calculation of total cash at the end of December, made by the Bank, resulting in a shortage of pledged securities.

Effect: At December 31, 2020, the District had cash in St. Landry Bank in the amount of \$2,437,066 and insurance and security pledges of \$694,916, resulting in a shortage of pledges in the amount of \$1,742,150.

Response: Management is aware of this inadequacy and will monitor pledged securities more closely to ensure that all deposits are secure.

Status: This finding was cleared.

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 FIRE PROTECTION DISTRICT NO. 1
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended December 31, 2021

Agency Head Name: Charles Watson
Service Period: 12 months

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 80,074
State supplemental pay	6,000
Benefits - insurance	15,003
Benefits - retirement	28,401
Total	<u>\$ 129,478</u>

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1

MANAGEMENT'S CORRECTIVE ACTION PLAN
Year Ended December 31, 2021

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

2021-001 – Budget Variance

Condition: Total budgeted revenues exceeded total actual revenues by greater than 5%.

Response: The Fire District will make necessary amendments to the budget prior to year end for accrual of revenues.

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:

Shawn M. Dyer

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. 1
STATEWIDE AGREED-UPON PROCEDURES REPORT
YEAR ENDED DECEMBER 31, 2021

VIGE, TUJAGUE  NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Management and Board of Commissioners of the St. Landry Parish Fire Protection District No. 1 and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. St. Landry Parish Fire Protection District No. 1's management is responsible for those C/C areas identified in the SAUPs.

St. Landry Parish Fire Protection District No. 1 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Written policies and procedures were obtained and do address the functions noted above.

b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and do address the functions noted above.

- c) **Disbursements**, including processing, reviewing, and approving.

Written policies and procedures were obtained and do address the functions noted above.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

The entity does not have written policies and procedures addressing receipts of revenue.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and do address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and do address the functions noted above.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

The entity does not have written policies and procedures addressing credit cards.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and do address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Written policies and procedures were obtained and do address the functions noted above.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The entity does not have written policies and procedures addressing debt service.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application

of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

The entity does not have written policies and procedures addressing information technology disaster recovery/business continuity.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and do address the functions noted above.

Board (or Finance Committee, if applicable)

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the board met monthly.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the minutes do include monthly budget-to-actual comparisons.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Obtained the prior year audit report and observed that the unassigned fund balance was a positive balance.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Bank reconciliations include evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each reconciliation.

- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There is no evidence of research of reconciling items that were outstanding for more than 12 months from the statement closing date.

Collections (excluding electronic funds transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained a listing of deposit sites from management and management provided representation that the listing is complete.

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees responsible for cash collections do not share cash drawers/registers.

The chief is the only employee that collects cash.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Employees responsible for collecting cash are not responsible for preparing/making bank deposits.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

Employees responsible for collecting cash are not responsible for posting collections to the general ledger.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

The employee responsible for collecting cash is not responsible for reconciling cash collections to the general ledger.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Employees who have access to cash are covered by the bond or insurance policy for theft.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

There are no receipts given out. All checks are received by mail.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Traced receipts or collection documentation to the deposit slip with no exceptions.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Traced the deposit slip total to the actual deposit per the bank statement with no exceptions.

- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

Deposits selected were not made within one business day of receipt at the collection location. We were unable to determine the number of days from receipt to deposit. All revenue receipts are in the form of a check received from the Sheriff for ad valorem collections. The chief collects all checks and sends them to the fee accountant for deposit.

- e) Trace the actual deposit per the bank statement to the general ledger.

Traced the actual deposits per the bank statement to the general ledger noting no exceptions.

Non-Payroll Disbursements – General (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Obtained procedures and observed that job duties are properly segregated regarding the functions noted above.

- b) At least two employees are involved in processing and approving payments to vendors.

Obtained procedures and observed that job duties are properly segregated regarding the functions noted above.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

The fee accountant is responsible for processing payments can also add vendors; however, all checks must be signed by a board member.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Obtained procedures and observed that job duties are properly segregated regarding the functions noted above.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

Observed that the disbursements matched the related original itemized invoice and the supporting documentation indicates deliverables included on the invoice were received.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Observed that the disbursement documentation included evidence of segregation of duties tested.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Obtained from management a listing of all active credit cards and fuel cards for the fiscal period and the numbers and names of the person who maintained possession of cards, and management provided representation that the listing is complete.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

Observed that there is evidence that the monthly statement and supporting documentation was reviewed and approved by someone other than the authorized cardholder.

- b) Observe that finance charges and late fees were not assessed on the selected statements.
Observed that there were late fees or finance charges assessed on one of the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Observed that approved reimbursement rates were no more than those establishments by the State of Louisiana or the U.S. General Services Administration.

- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Not applicable as all travel and travel-related reimbursements tested were reimbursed at a per diem rate and not actual costs.

- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

Observed that each reimbursement is supported by documentation of the business/public purpose.

- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Observed that each reimbursement was reviewed and approved by someone other than the person receiving reimbursement.

Contracts

This section is not applicable. Management has asserted that there are no contracts in effect in the fiscal period.

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained a listing of employees and officials employed during the fiscal period, and management provided representation that the listing is complete. Randomly selected 5 employees and agreed paid salaries to authorized salaries/pay rates in the personnel files.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

Observed that all selected employees documented their daily attendance and leave.

- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Observed that supervisors approved the attendance and leave of the selected employees.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Observed that leave accrued and taken during the pay period is reflected in the cumulative leave records.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Observed that the rate paid to employees agrees to the authorized salary/pay rate found within the personnel file.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Management provided representation that there were no employees or officials that received termination payments during the fiscal period.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Management provided representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

One of the five employees selected for testing did have documentation to demonstrate that the required ethics training was completed.

- b. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

There were no changes made to the entity's ethics policy during the fiscal year.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Management has asserted that the Entity did not have any debt issued during the fiscal year.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Management has asserted that the entity did not have any debt outstanding at the end of the fiscal period.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the Entity did not have any misappropriations of public funds or assets during the reporting period.

24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Observed that the entity has posted on its premises, the required notice.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers

have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

The five employees selected for testing did not have documentation to demonstrate that the required sexual harassment training was complete.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Observed that the entity has posted its sexual harassment policy and complaint procedure on the entity's premises.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

Observed that the report was not dated on or before February 1.

- a) Number and percentage of public servants in the agency who have completed the training requirements;

Observed that the report included requirements as stated above.

- b) Number of sexual harassment complaints received by the agency;

Observed that the report included requirements as stated above.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

Observed that the report included requirements as stated above.

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Observed that the report included requirements as stated above.

- e) Amount of time it took to resolve each complaint.

Observed that the report included requirements as stated above.

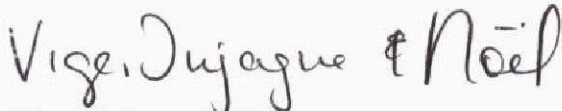
Management's Response

Management of the St. Landry Parish Fire Protection District No. 1 concurs with the exceptions and is working to address the deficiencies identified.

We were engaged by St. Landry Parish Fire Protection District No. 1 to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of St. Landry Parish Fire Protection District No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Vige, Tujague & Noel

Eunice, Louisiana

May 20, 2022