

**NATCHITOCHE PARISH FIRE  
PROTECTION DISTRICT NO. 5  
FINANCIAL REPORT**

**DECEMBER 31, 2021**

Natchitoches Parish Fire Protection District No. 5  
Financial Report  
December 31, 2021

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# NATCHITOCHEs PARISH FIRE PROTECTION DISTRICT NO. 5

**P.O. Box 340  
Natchez, La 71456**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Natchitoches Parish Fire District No. 5's (hereafter referred to as the District) annual financial report presents an overview and analysis of the District's financial activities for the year ended December 31, 2021. The intent of the MD&A is to look at the District's financial performance as a whole. It should, therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the District's operations.

### Financial Highlights

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

#### Government-Wide Financial Statements

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

#### Fund Financial Statements

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

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

Summary of Statement of Net Position

	<u>2021</u>	<u>2020</u>
<b>ASSETS:</b>		
Assets	\$333,740	\$347,663
Capital Assets, Net of Accumulated Depreciation	<u>509,645</u>	<u>553,191</u>
Total Assets	<u>\$843,385</u>	<u>\$900,854</u>
<b>LIABILITIES:</b>		
Accounts Payable	\$ 2,716	\$ 2,716
Payroll Tax Payable	953	1,680
Long-Term Debt	<u>148,588</u>	<u>181,988</u>
Total Liabilities	<u>\$152,257</u>	<u>\$186,384</u>
<b>NET POSITION:</b>		
Net Investment in Capital Assets	\$361,057	\$371,203
Unrestricted	<u>330,071</u>	<u>343,267</u>
Total Net Position	<u>\$691,128</u>	<u>\$714,470</u>

## Summary of Statement of Activities

	<u>2021</u>	<u>2020</u>
REVENUES:		
Taxes	\$170,010	\$174,732
Intergovernmental	6,047	6,087
Interest & Miscellaneous	<u>954</u>	<u>310</u>
Total Revenues	\$177,011	\$181,129
EXPENSES:		
Public Safety	<u>200,353</u>	<u>175,286</u>
Change in Net Position	\$ <u>(23,342)</u>	\$ <u>5,843</u>

- The District's assets exceeded its liabilities by \$691,128 for the year. For the prior year this was \$714,470.
- Unrestricted net position of \$330,071 represents the portion available to maintain the District's obligation to both citizens and creditors. This is a decrease of \$13,196 from prior year.

Debt Administration

At the end of the current fiscal year, the District had total long-term debt of \$148,588.

General Fund Budgetary Highlights

The actual revenues were less than the budgeted amount for the year by \$2,649. Actual expenditures were \$27,438 less than the budgeted amount.

Economic Factors and Next Year's Budget

The primary revenue source for the District is property taxes. This tax is not subject to changes in the economy, in the short-term. However, in the long-term, significant increases/decreases in the tax base would be evident.

Contacting the Fire District

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the District at P.O. Box 340, Natchez, La 71456.

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

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**INDEPENDENT ACCOUNTANT’S REVIEW REPORT**

Natchitoches Parish Fire Protection District No. 5  
P. O. Box 340  
Natchez, Louisiana 71456

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Natchitoches Parish Fire Protection District No. 5 (District), as of and for the year ended December 31, 2021, which collectively comprise the District’s basic financial statements as listed in the Table of Contents. A review includes primarily applying analytical procedures to management’s financial data and making inquiries of the District’s personnel. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management’s Responsibility for the Financial Statements**

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

**Accountant’s Responsibility**

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

We are required to be independent of the Natchitoches Parish Fire District No. 5 and to meet other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

**Accountant's Conclusion**

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

**Other Matter Paragraphs***Required Supplementary Information*

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

*Supplementary Information*

The accompanying Schedule of Compensation, Benefits, and Other Payments to the Agency Head, Political Subdivision Head, or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

*Other Reporting Requirements*

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 14, 2022, on the results of our agreed-upon procedures on page 28 through 31 and pages 32 through 34 present the Louisiana Attestation Questionnaire.

*Thomas, Cunningham, Broadway + Todtenbier, CPA's*

Thomas, Cunningham, Broadway, & Todtenbier, CPA's  
Natchitoches, LA 71457  
June 14, 2022

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

Natchitoches Parish Fire Protection District No. 5  
Statement of Net Position  
December 31, 2021

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Current Assets:	
Cash & Cash Equivalents	\$ 202,054
Revenue Receivable	<u>131,686</u>
Total Current Assets	\$ 333,740
Non-current Assets:	
Capital Assets (net)	<u>509,645</u>
Total Assets	<u>\$ 843,385</u>
 <b>LIABILITIES:</b>	
Current Liabilities:	
Accounts Payable	\$ 2,716
Payroll Tax Payable	953
Current Long-Term Debt	<u>33,399</u>
Total Current Liabilities	\$ 37,068
Non-current Liabilities	
Long-term Debt	<u>115,189</u>
Total Liabilities	<u>\$ 152,257</u>
 <b>NET POSITION:</b>	
Net Investment in Capital Assets	\$ 361,057
Unrestricted	<u>330,071</u>
Total Net Position	<u>\$ 691,128</u>

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 5  
Statement of Activities  
December 31, 2021

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
Governmental Activities:			
General Government	\$ 192,528	\$ 6,047	\$ (186,481)
Interest on Long-Term Debt	<u>7,825</u>	<u>-</u>	<u>(7,825)</u>
Total Governmental Activities	<u>\$ 200,353</u>	<u>\$ 6,047</u>	<u>\$ (194,306)</u>
General Revenues:			
Taxes-			
Ad Valorem			\$ 144,495
Parcel Fees			25,515
Miscellaneous			<u>954</u>
Total General Revenues			<u>\$ 170,964</u>
Change in Net Position			\$ (23,342)
Net Position, January 1			<u>714,470</u>
Net Position, December 31			<u><u>\$ 691,128</u></u>

See accompanying notes and independent accountant's review report.

## FUND FINANCIAL STATEMENTS

Natchitoches Parish Fire Protection District No. 5  
Balance Sheet - Governmental Fund  
December 31, 2021

	Governmental Activities
<b>ASSETS:</b>	
Cash & Cash Equivalents	\$ 202,054
Revenue Receivable	131,686
Total Assets	\$ 333,740
<b>LIABILITIES:</b>	
Accounts Payable	\$ 2,716
Payroll Tax Payable	953
Total Liabilities	\$ 3,669
<b>FUND BALANCE:</b>	
Unassigned	330,071
Total Liabilities and Fund Balance	\$ 333,740

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 5  
 Reconciliation of Governmental Fund  
 Balance Sheet to the Statement of Net Position  
 December 31, 2021

Total Fund Balance for the Governmental Fund at December 31, 2021	\$	330,071
Total Net Position reported for Governmental Activities in Statement of Net Position is different because:		
The following used in Governmental Activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet-		
Capital Assets (Net)		509,645
Long-term Liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance		<u>(148,588)</u>
Total Net Position of Governmental Activities at December 31, 2020	\$	<u>691,128</u>

Natchitoches Parish Fire Protection District No. 5  
Statement of Revenues, Expenditures, and Changes in Fund Balance-  
Governmental Fund  
December 31, 2021

	Governmental Activities
<b>REVENUES:</b>	
Taxes-	
Ad Valorem Taxes	\$ 144,495
Parcel Fee	25,515
Intergovernmental-	
Fire Insurance Rebate	6,047
Interest & Miscellaneous	954
Total Revenues	\$ 177,011
<b>EXPENDITURES:</b>	
Current-	
Public Safety	\$ 148,983
Debt Service	41,224
Total Expenditures	\$ 190,207
Deficiency of Revenues over Expenditures	\$ (13,196)
Fund Balance-Beginning of Year	343,267
Fund Balance-End of Year	\$ 330,071

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 5  
 Reconciliation of the Statement of Revenues, Expenditures,  
 and Changes in Fund Balance of the Governmental Fund  
 to the Statement of Activities  
 December 31, 2021

Net change in fund balance-governmental fund	\$	(13,196)
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Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds. These timing differences are summarized below:

Capital Outlay		11,145
Deprecation Expense		(54,690)
Long-term Debt		<u>33,399</u>

Change in net position per statement of activities at December 31, 2021	\$	<u>(23,342)</u>
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## NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

1. Introduction:

Natchitoches Parish Fire Protection District No. 5 (District) was created by the Natchitoches Parish Government, by ordinance in June 1982, under the provisions of Louisiana Revised Statutes 40:1492-1701, for the purpose of providing fire protection for the citizens of the District. The District is governed by a Board of Commissioners who are resident property taxpayers of the District. The commissioners are approved/appointed by the Natchitoches Parish Government. The District was created to acquire and maintain buildings, machinery, equipment, water tanks, water hydrants and water lines, and any other such things necessary to provide proper fire protection and control within the District.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of the District conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

A. Reporting Entity-

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

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

1. Appointing a voting majority of an organization's governing body and
  - a. The ability of the parish government to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish government created by ordinance District No. 5, the District was determined to be a component unit of the Natchitoches Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

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

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

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

C. Fund Accounting-

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

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

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

The major fund of the District is described below:

Governmental Fund-

General Fund

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

D. Measurement Focus/Basis of Accounting-

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

Accrual Basis - Government-Wide Financial Statements (GWFS)

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

Modified Accrual Basis - Fund Financial Statements (FFS)

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

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

E. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the District.

Capital Assets-

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

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

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

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

Compensated Absences-

There are no employees of the District, therefore no entry is made to record compensated absences.

Equity Classifications-

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

- c. Unrestricted net position - All other net resources that do not meet the definition of “restricted” or “net investment in capital assets”.

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

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

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$330,071. If applicable, the District would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

#### F. Budget-

Prior to the beginning of each fiscal year, the District adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

#### G. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

3. Cash and Cash Equivalents:

The cash and cash equivalents of the Natchitoches Parish Fire Protection District No. 5 are subject to the following risk:

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

Bank account balances at December 31, 2021, totaled \$202,299 and were fully secured by FDIC Insurance.

4. Capital Assets:

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

Governmental Activities	Balance 01-01-21	Additions	Deletions	Balance 12-31-21
Capital Assets not Depreciated:				
Land	\$ <u>20,000</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>20,000</u>
Capital Assets Depreciated:				
Equipment	\$ 202,050	\$ 11,145	\$ 0	\$ 213,195
Fire trucks	716,224	0	0	716,224
Buildings	<u>119,963</u>	<u>0</u>	<u>0</u>	<u>119,963</u>
Total Capital Assets Depreciated	<u>\$1,038,237</u>	<u>\$11,145</u>	<u>\$0</u>	<u>\$1,049,382</u>
Total Assets	<u>\$1,058,237</u>	<u>\$11,145</u>	<u>\$0</u>	<u>\$1,069,382</u>
Less: Accumulated Depreciation:				
Equipment	\$ 171,542	\$10,366	\$ 0	\$ 181,908
Fire trucks	309,830	41,860	0	351,690
Buildings	<u>23,676</u>	<u>2,464</u>	<u>0</u>	<u>26,139</u>
Total Depreciation	<u>\$ 505,047</u>	<u>\$54,690</u>	<u>\$0</u>	<u>\$ 559,737</u>
Net Capital Assets	<u>\$ 553,190</u>	<u>\$(43,545)</u>	<u>\$0</u>	<u>\$ 509,645</u>

Depreciation expense of \$54,690 was charged to the public safety function.

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

5. Ad Valorem Taxes:

The District levies taxes on real and business personal property located within the boundaries of the District. Property taxes are levied by the District on property values assessed by the Natchitoches Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Natchitoches Parish Sheriff's office bills and collects property taxes for the District. Collections are remitted to the District monthly. The District recognizes property tax revenues when levied.

Property Tax Calendar

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

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

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

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

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2021. Total assessed value was \$24,537,967 in 2021. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$3,715,460 of the assessed value in 2021. For the year ended December 31, 2021, taxes of 7.19 mils were levied on the property and were dedicated to fire protection and \$144,495 was collected.

In addition to property taxes, the residents of the District voted on and approved a proposition to levy and collect an annual parcel fee of \$25 on each lot on which a structure is located. The purpose of this assessment is to provide funds for acquiring, constructing, and maintaining fire protection facilities and equipment. The parcel fees attach as an enforceable lien and are levied in the same manner as property taxes described above. For the year ended December 31, 2021, fees of \$25,515 were levied.

6. Pending Litigation:

There were no civil suits seeking damages against the District outstanding at December 31, 2021.

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

7. Related Party Transactions:

The District had no identified related party transactions for the year ended December 31, 2021.

8. Compensation Paid to Board Members:

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

9. Receivables:

The following is a summary of receivables at December 31, 2021:

<u>Class of Receivable</u>	<u>General Fund</u>
Taxes-	
Ad Valorem	\$122,026
Parcel Fee	<u>9,660</u>
Total	<u>\$131,686</u>

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

10. Long-term Debt:

The following is a summary of the long-term obligation transactions for the year ended December 31, 2021.

In September 2018, the District entered into a lease-purchase agreement with Leasing 2, Inc. for one Spartan/Kenworth rescue pumper tanker. The terms of this agreement is repayment to be made over seven years at \$41,224 per annum at 4.30% interest.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Lease-Purchase Agreement	<u>\$181,988</u>	<u>\$0</u>	<u>\$33,400</u>	<u>\$148,588</u>

The annual debt service requirements to maturity at December 31, 2025, are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 34,836	\$ 6,389	\$41,225
2023	36,333	4,891	41,224
2024	37,895	3,329	41,224
2025	<u>39,524</u>	<u>1,700</u>	<u>41,224</u>
Total	<u>\$148,588</u>	<u>\$16,309</u>	<u>\$164,897</u>

Natchitoches Parish Fire Protection District No. 5  
Notes to Financial Statements  
December 31, 2021

11. Subsequent Events:

Management has evaluated events through June 14, 2022, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED  
SUPPLEMENTARY INFORMATION

Natchitoches Parish Fire Protection District No. 5  
 General Fund  
 Budgetary Comparison Schedule  
 December 31, 2021

	<u>Budget</u>			Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES:</b>				
Taxes-				
Ad Valorem	\$ 150,000	\$ 150,000	\$ 144,495	\$ (5,505)
Parcel Fee	23,100	23,100	25,515	2,415
Intergovernmental-				
Fire Rebate	6,200	6,200	6,047	(153)
Interest & Miscellaneous	<u>360</u>	<u>360</u>	<u>954</u>	<u>594</u>
Total Revenues	<u>\$ 179,660</u>	<u>\$ 179,660</u>	<u>\$ 177,011</u>	<u>\$ (2,649)</u>
<b>EXPENDITURES:</b>				
Current-				
Public Safety	\$ 176,400	\$ 174,425	\$ 148,983	\$ 25,442
Debt Service	<u>41,245</u>	<u>43,220</u>	<u>41,224</u>	<u>1,996</u>
Total Expenditures	<u>\$ 217,645</u>	<u>\$ 217,645</u>	<u>\$ 190,207</u>	<u>\$ 27,438</u>
Deficiency of Revenues over Expenditures	\$ (37,985)	\$ (37,985)	\$ (13,196)	\$ 24,789
Fund Balance-Beginning of Year	<u>343,267</u>	<u>343,267</u>	<u>343,267</u>	<u>-</u>
Fund Balance-End of Year	<u>\$ 305,282</u>	<u>\$ 305,282</u>	<u>\$ 330,071</u>	<u>\$ 24,789</u>

See accompanying notes and independent accountant's review report.

Natchitoches Parish Fire Protection District No. 5  
 Schedule of Compensation, Benefits and Other Payments to  
 Agency Head or Chief Executive Officer  
 For the Year Ended December 31, 2021

Agency Head Name: Nicholas, John Chief

<u>Purpose</u>	<u>Amount</u>
Salary	\$14,200
Benefits-Other	<u>1,086</u>
Total	<u>\$15,286</u>

Agency Head Name: Boyd, Derek

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 5,440
Benefits-Other	<u>416</u>
Total	<u>\$ 5,856</u>

See independent accountant's review report.

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

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

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

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**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Natchitoches Parish Fire District No. 5  
P. O. Box 340  
Natchez, La 71456

We have performed the procedures enumerated below on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District 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 District's compliance with laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021. Additionally, the Louisiana Legislative Auditor 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:

***PUBLIC BID LAW***

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

We scanned the general ledgers noting that there were no expenditures for materials and supplies exceeding \$30,000, or public works exceeding \$250,000.

*CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES*

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

Management provided us with the requested information.

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

Management provided us with the requested information.

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

None of the employees included on the list provided by management for agreed-upon procedure 2 or 3 appeared on the list provided by management.

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

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

*BUDGETING*

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

Management provided us with a copy of the original budgets. There was one amendment to the budget during the year.

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

Not applicable.

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

Actual revenues and expenditures for the year were within the 5% variance allowed in the General Fund.

*ACCOUNTING AND REPORTING*

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

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

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

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

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

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

Each of the six selected disbursements were approved in accordance with the management policies and procedures.

*MEETINGS*

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

Not applicable.

*DEBT*

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

We scanned copies of all bank deposits for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or other indebtedness.

*ADVANCES AND BONUSES*

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

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

*STATE AUDIT LAW*

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

The District's report was due on June 30, 2021, and was submitted prior to this date.

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

Management represented they were in compliance with R.S. 24:513 during the fiscal year.

*PRIOR-YEAR COMMENTS*

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

Our prior year report, dated May 18, 2021 and included no exceptions.

We were engaged by the District 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 the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General.

We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

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

June 14, 2022

## NATCHITOCHEs PARISH FIRE DISTRICT #5

## LOUISIANA ATTESTATION QUESTIONNAIRE

Thomas, Cunningham, Broadway & Todtenbier CPA's  
 321 Bienville Street  
 Natchitoches, LA 71457

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2021 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Public Bid Law**

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes  No  N/A

**Code of Ethics for Public Officials and Public Employees**

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

Yes  No  N/A

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

Yes  No  N/A

**Budgeting**

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

Yes  No  N/A

**Accounting and Reporting**

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

Yes  No  N/A

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

Yes [] No [  ] N/A [  ]

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

Yes [] No [  ] N/A [  ]

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

Yes [] No [  ] N/A [  ]

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

Yes [] No [  ] N/A [  ]

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [] No [  ] N/A [  ]

### **Meetings**

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

Yes [] No [  ] N/A [  ]

### **Debt**

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

Yes [] No [  ] N/A [  ]

### **Advances and Bonuses**

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

Yes [] No [  ] N/A [  ]

### **Prior-Year Comments**

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

Yes [] No [  ] N/A [  ]

**General**

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No [ ] N/A [ ]

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

We have provided you with all relevant information and access under the terms of our agreement.

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

We are not aware of any material misstatements in the information we have provided to you.

Yes [] No [ ] N/A [ ]

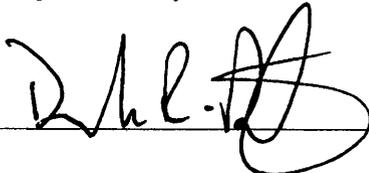
We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes [] No [ ] N/A [ ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [] No [ ] N/A [ ]

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

  
\_\_\_\_\_

6/14/22 Date