

**DESOTO PARISH FIRE
PROTECTION DISTRICT NO. 5**
Stanley, Louisiana

FINANCIAL REPORT
December 31, 2020

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana
FINANCIAL REPORT
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Independent Accountant's Review Report

To the Board of Commissioners of the
DeSoto Parish Fire Protection District No. 5
Stanley, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the DeSoto Parish Fire Protection District No. 5, a component unit of the DeSoto Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Fire District's basic financial statements as listed in the table of contents. A review includes primarily applying procedures to management's financial data and making inquiries of the management of the DeSoto Parish Fire Protection District No. 5. 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

The Fire District's 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 the *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.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements of the DeSoto Parish Fire Protection District No. 5 in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Other Matter Paragraphs

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. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications

that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information as listed in the table of contents be presented to supplement the basic financial statements:

Budgetary Comparison Schedule
Management's Discussion and Analysis

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

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 24, 2021, on the results of our agreed-upon procedures on pages 29-32. Also presented as required is the Louisiana Attestation Questionnaire.

Dees Gardner, Certified Public Accountants, LLC

Mansfield, Louisiana
June 24, 2021

REQUIRED SUPPLEMENTAL INFORMATION (PART I)

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

December 31, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the DeSoto Parish Fire Protection District No. 5 (Fire District), we offer the readers of our annual financial report our discussion and analysis of the Fire District's financial performance during the year that ended on December 31, 2020. Please read it in conjunction with the Fire District's financial statements, which follow this section.

The Fire District was determined to be a component unit of the DeSoto Parish Policy Jury. The accompanying financial statements present information only on the funds maintained by the DeSoto Parish Fire Protection District No. 5.

FINANCIAL HIGHLIGHTS

The Fire District experienced an increase in its total net position of \$97,179 or 3.07% during the year. At December 31, 2020, the assets of the Fire District exceeded its liabilities by \$3,264,250.

The Fire District's total revenues increased \$798 or 0.21% to \$389,161 in 2020 from \$388,363 in 2019.

Ad valorem tax revenue (property taxes) during the year decreased \$74 or 0.02% to \$369,940 in 2020 from \$370,014 in 2019.

Total expenses increased \$38,604 or 15.24% to \$291,982 in 2020 from \$253,378 in 2019.

The Fire District's governmental fund balance decreased \$209,761 or 15.44%.

OVERVIEW OF FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the basic financial statements which include government-wide financial statements and fund financial statements. These two types of financial statements present the Fire District's financial position and results of operations from differing perspectives, which are described as follows:

Government-Wide Financial Statement

The government-wide financial statements report information about the Fire District as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Fire District's assets and all of its liabilities. All of the Fire District's activities are classified as governmental activities in the government-wide financial statements. The governmental activities are financed primarily by property taxes and intergovernmental revenues that include fire insurance rebates, state revenue sharing and grants.

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Fund Financial Statements

Fund financial statements provide detailed information regarding the Fire District's most significant activities and are not intended to provide information for the Fire District as a whole. Funds are accounting devices that are used to account for specific sources of funds. All of the Fire District's activities are limited to its general fund, which is classified as a Governmental Fund. This fund is used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental fund uses a modified accrual basis of accounting that provides a short-term view of the Fire District's finances. Assets reported by the governmental fund are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

Required Supplemental Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Fire District adopts an annual budget for the general fund. A budgetary comparison statement is provided for the general fund to demonstrate budgetary compliance.

Other Supplemental Information

The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfil the requirements of Louisiana Revised Statute 24:513(A)(3).

FINANCIAL ANALYSIS OF THE FIRE DISTRICT AS A WHOLE

The comparison of net position from year to year serves to measure a government's financial position. As of December 31, 2020, the Fire District's assets exceed its liabilities by \$3,264,250 (net position).

Approximately 63.66% (\$2,078,172) of the Fire District's net position reflects capital assets consisting of firefighting equipment, fire trucks, buildings and improvements, with a historical cost of \$3,921,580 less accumulated depreciation of \$1,843,408 less any related debt used to acquire those assets that is still outstanding (the Fire District has no outstanding related debt). This portion of net position is not available for future spending.

Unrestricted net position of \$1,186,078 or 36.34% of total net position as of December 31, 2020, may be used to meet the ongoing obligations to the citizens of DeSoto Parish Fire Protection District No. 5.

Accounts receivable consists of only ad valorem taxes.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

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A Summary of Statement of Net Position is as follows:

ASSETS	Governmental Activities	
	2020	2019
Cash and cash equivalents	\$ 796,184	\$ 1,020,575
Accounts receivable	373,311	361,260
Prepaid insurance	22,104	19,641
Capital assets, net of accumulated depreciation	2,078,172	1,777,456
Total assets	<u>\$ 3,269,771</u>	<u>\$ 3,178,932</u>
LIABILITIES		
Current liabilities	\$ 5,521	\$ 11,861
Total liabilities	<u>\$ 5,521</u>	<u>\$ 11,861</u>
NET POSITION		
Net investment in capital assets	\$ 2,078,172	\$ 1,777,456
Unrestricted	1,186,078	1,389,615
Total net position	<u>\$ 3,264,250</u>	<u>\$ 3,167,071</u>

The Summary of the Statement of Activities that follows compares revenues and expenses for the current and previous years. Total revenues increased by 0.21% (\$798) from last year. 95.06% of the Fire District's total revenues come from ad valorem taxes and 2.86% from other state sources. Total expenses increased 15.24% (\$38,604) over the prior year.

Ad valorem tax revenue for the Fire District decreased \$74 or 0.02% to \$369,940 in 2020 from \$370,014 in 2019.

Expenses of the Fire District, without depreciation, increased \$16,174 (11.98%) from 2019 to \$151,203. Depreciation expense of \$140,779 made up 48.21% of total expenses for December 31, 2020, compared to 46.71% of total expenses in 2019.

The Fire District increased its net position by \$97,179 (3.07%) for the year ended December 31, 2020.

A Summary of Statement of Activities is as follows:

	Governmental Activities	
	2020	2019
Program Revenues:		
Grants/Contributions	\$ 4,742	\$ 3,000
General Revenues:		
Ad Valorem Taxes	369,940	370,014
Intergovernmental revenues	11,135	11,107
Other income	120	-
Interest income	3,224	4,242
Total revenues	<u>389,161</u>	<u>388,363</u>
Expenses		
Public Safety	<u>291,982</u>	<u>253,378</u>
Total expenses	291,982	253,378
Increases in net position	97,179	134,985
Net Position, beginning	3,167,071	3,032,086
Net Position, ending	<u>\$ 3,264,250</u>	<u>\$ 3,167,071</u>

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FINANCIAL ANALYSIS OF THE FIRE DISTRICT'S GOVERNMENTAL FUNDS

For the year ended December 31, 2020, differences between the government-wide presentation and the fund financial statements were due to acquisition of capital outlays, depreciation changes associated with capital assets, and prepayment of expenses. During 2020, the fund balance of the General Fund decreased \$209,761 (15.44%) to \$1,148,388 compared to a fund balance of \$1,358,149 for the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Fire District adopted a budget for its General Fund for the year ended December 31, 2020. The budget was amended once during the year. Total actual revenues were more than budgeted revenues by \$4,500 (1.17%). Total actual expenditures were \$28,409 (4.77%) less than the final budgeted expenditures.

DEBT ADMINISTRATION

The DeSoto Parish Fire Protection District No. 5 does not currently carry any indebtedness other than normal trade payables.

CAPITAL ASSETS

The Fire District capital asset acquisitions consisted of back up generators for Stations 1 through 4, 2 of which remain construction in progress at year end, video surveillance systems for Stations 1 through 4, 12 SCBA cylinders, a 2 SCBA cylinder containment station, 10 new radios, and a new tanker truck.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The primary revenue source for the Fire District is property taxes. This tax is not subject to changes in the economy, in the short-term. However, in the long-term, the ability to sustain this income could affect the Fire District's revenue. Revenues and expenses (excluding current year capital outlays) are expected to be consistent with the prior year.

CONTACTING THE FIRE DISTRICT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the finances for those funds maintained by the DeSoto Parish Fire Protection District No. 5 and to present the Fire District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ron Conleay, Secretary/Treasurer, at P. O. Box 1089, Logansport, Louisiana, 71049.

BASIC FINANCIAL STATEMENTS

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana

GOVERNMENTAL FUND BALANCE SHEET / STATEMENT OF NET POSITION

December 31, 2020

	Governmental Funds Financial Statements		Government-wide Statements
	Balance Sheet		Statement of
	General Fund	Adjustments	Net Position
ASSETS			
Cash and cash equivalents	\$ 796,184	\$ -	\$ 796,184
Accounts receivable	373,311	-	373,311
Prepaid expenses	-	22,104	22,104
Capital assets, net of depreciation	-	2,078,172	2,078,172
TOTAL ASSETS	<u>\$ 1,169,495</u>	<u>2,100,276</u>	<u>3,269,771</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 4,409	-	4,409
Payroll liabilities	1,112	-	1,112
Total current liabilities	<u>5,521</u>	<u>-</u>	<u>5,521</u>
TOTAL LIABILITIES	<u>5,521</u>	<u>-</u>	<u>5,521</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable ad valorem taxes	15,586	(15,586)	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>15,586</u>	<u>(15,586)</u>	<u>-</u>
FUND BALANCE / NET POSITION			
Fund Balances:			
Unassigned	1,148,388	(1,148,388)	-
TOTAL FUND BALANCES	<u>1,148,388</u>	<u>(1,148,388)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,169,495</u>	<u>3,264,250</u>	<u>-</u>
Net Position:			
Net investment in capital assets		2,078,172	2,078,172
Unrestricted		1,186,078	1,186,078
TOTAL NET POSITION		<u>\$ -</u>	<u>\$ 3,264,250</u>

See accompanying notes and independent accountant's review report.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
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RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2020

Total Net Position reported for Governmental Activities in the Statement of Net Position are different because:

Fund Balances, Total Governmental Fund	\$	1,148,388
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the government fund		2,078,172
Prepayments recorded using the nonallocation method are not considered expendable financial resources and are not reported in the government fund		22,104
Unavailable revenues are reported in the governmental fund but not in the Statement of Net Position		<u>15,586</u>
Net Position of Governmental Activities	\$	<u><u>3,264,250</u></u>

See accompanying notes and independent accountant's review report.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
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STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

	Governmental Funds Financial Statements		Adjustments	Government-wide Statements	
	Statement of Revenues Expenditures, and Changes in Fund Balance			Statement of Activities	
	General Fund				
EXPENDITURES/EXPENSES					
Public Safety-Fire					
Personnel and related benefits	\$	23,647	\$	-	\$ 23,647
Materials and supplies		71,862		(2,464)	69,398
General and administrative		58,158		-	58,158
Capital outlays		441,494		(441,494)	-
Depreciation		-		140,779	140,779
TOTAL EXPENDITURES/EXPENSES		<u>595,161</u>		<u>(303,179)</u>	<u>291,982</u>
PROGRAM REVENUES					
Operating grants & contributions		4,742		-	4,742
TOTAL PROGRAM REVENUES		<u>4,742</u>		<u>-</u>	<u>4,742</u>
NET PROGRAM EXPENSE		(590,419)		303,179	(287,240)
GENERAL REVENUES					
Ad valorem taxes		366,179		3,761	369,940
State revenue sharing		3,799		-	3,799
Interest earnings		3,224		-	3,224
Fire insurance rebate		7,336		-	7,336
Other income		120		-	120
TOTAL GENERAL REVENUES		<u>380,658</u>		<u>3,761</u>	<u>384,419</u>
NET CHANGE IN FUND BALANCE/ CHANGE IN NET POSITION		(209,761)		306,940	97,179
FUND BALANCE / NET POSITION					
Beginning of the year		1,358,149			3,167,071
End of the year	\$	<u>1,148,388</u>		\$	<u>3,264,250</u>

See accompanying notes and independent accountant's review report.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
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**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES**
For the Year Ended December 31, 2020

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Governmental Fund	\$	(209,761)
Governmental funds report expenses that involve payments with current financial resources, such as insurance, in the year in which it is paid. In the Statement of Activities, payments that are attributable to current periods are recognized.		2,464
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund:		
The amount by which capital outlays (\$441,494) exceeded the depreciation (\$140,779) in the current period.		300,715
Because of the timing of actual receipt, some revenues are not considered "available" to pay current obligations and are not reported in the governmental funds.		
Change in unavailable ad valorem taxes		3,761
Change in Net Position of Governmental Activities	\$	97,179

See accompanying notes and independent accountant's review report.

NOTES TO THE FINANCIAL STATEMENTS

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

INTRODUCTION

DeSoto Parish Fire Protection District No. 5 was created by the DeSoto Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492 on April 16, 1988. The Fire District is governed by a five-member board appointed in accordance to LRS 40:1496 as follows: two members by the Police Jury, two members by the Village of Stanley, and one by the other four members. The Fire District has two paid employees; a part-time administrative employee and a part-time fire chief. The Fire District is responsible for maintaining and operating four fire stations and equipment, and providing fire protection to approximately 1,600 residents living within the 113.5 square miles of the Fire District's boundaries.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the DeSoto Parish Fire Protection District No. 5 have been prepared in conformity with governmental accounting principles generally accepted in the United States of America applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999. 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*.

The more significant accounting policies established in GAAP and used by the DeSoto Parish Fire Protection District No. 5 are discussed below.

A. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the governmental reporting entity and which component units should be included within the reporting entity. Under provisions of this Statement, the DeSoto Parish Fire Protection District No. 5 was determined to be a component unit of the DeSoto Parish Police Jury, the financial reporting entity. The Police Jury is financially accountable for the Fire District because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the Fire District and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION

The DeSoto Parish Fire Protection District No. 5's basic financial statements consists of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Fire 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 recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Fire District are organized and operated 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. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations. The minimum number of funds is maintained consistent with legal and managerial requirements.

A fund is considered major if it is the primary operating fund of the entity. The only fund of the Fire District is considered a major fund and is classified as a governmental fund as described below:

General Fund. The General Fund, as provided by Louisiana Revised Statute 47:1906 is the primary operating fund of the Fire District and is used to account for the operations of the Fire District. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Fire District's policy.

C. MEASUREMENT FOCUS/ BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues, expenditures, expenses, transfers of assets, deferred outflows of resources, liabilities, and deferred inflows of resources—are recognized in the accounts and reported in the financial statements.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. This approach is then reconciled, through adjustment, to a government-wide view of the operations.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS/ BASIS OF ACCOUNTING (continued)

Basis of Accounting

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

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. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. The governmental funds use the following practices in recording revenues and expenditures:

Revenues. Ad valorem taxes are recorded in the year in which the taxes are assessed. State revenue sharing is recorded in the year the Fire District is entitled to the funds. Intergovernmental revenues and grants are recognized when received. Interest income on deposits is recorded monthly when the interest is earned and credited to the account.

Expenditures. Salaries are recorded when employee services are paid. Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased. Substantially all other expenditures are recognized when the related liability is incurred.

D. ASSETS, LIABILITIES AND EQUITY

Cash and interest-bearing deposits

Cash includes amounts in demand accounts, interest-bearing demand deposits, and certificates of deposits with a 90-day or less maturity term at time of purchase. Under state law, the Fire District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Fire District may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Prepaid Expenses

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid expenses in the Statement of Net Position.

Accounts Receivable

The only receivables for the governmental activities are ad valorem taxes. Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES AND EQUITY (continued)

Capital Assets

Capital assets, which include property, plant, and equipment, are reported 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 Fire District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives 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 estimated useful lives by type of asset is as follows:

Buildings	20 years
Firefighting equipment	5-15 years
Fire trucks	15 years

Deferred Inflows of Resources

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources arise when potential revenues do not meet both the "available" and "measurable" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria have been met the deferred inflows of resources is removed from the balance sheet and revenue is recognized.

This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Fire District has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in the category. Accordingly, the item, unavailable ad valorem revenue, is reported only in the governmental funds balance sheet. The Fire District has \$15,586 in unavailable ad valorem revenue at December 31, 2020.

Compensated Absences

The Fire District does not provide for the accumulation and vesting of leave.

Equity Classifications

Net Position

The Fire District classifies net position in the government-wide financial statements, as follows:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES AND EQUITY (continued)

- Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Fire District's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Fire District.

Fund Balances

In accordance with GASB Statement No. 54, the Fire District classifies fund balances in governmental funds as follows:

- Nonspendable- Resources that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
- Restricted- Resources constrained to specific purposes by their providers (such as grantors or higher levels of government).
- Committed- Resources constrained by the Fire District itself. To be reported as committed, amounts cannot be used for any other purpose unless the Fire District takes the action to remove or change the constraint.
- Assigned- Resources the Fire District intends to use for a specific purpose.
- Unassigned- Resources that are available for any purpose.

The Fire District establishes (and modifies and rescinds) fund balance commitments and assignments through adoption and amendment of the budget. The Fire District would typically use restricted fund balances first, followed by committed resources, and then 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.

The General Fund, the Fire District's only governmental fund, has an unassigned fund balance of \$1,148,388.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH AND INTEREST-BEARING DEPOSITS

At December 31, 2020, the Fire District had cash and cash equivalents totaling \$796,184 (book balance).

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

2. CASH AND INTEREST-BEARING DEPOSITS (continued)

The cash of the DeSoto Parish Fire Protection District No. 5 is subject to the following risks:

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the government 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 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 of the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Fire 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 Fire District's name.

At December 31, 2020, the Fire District had \$800,698 in deposits (collected bank balances). These deposits were secured from risk by \$455,538 of federal deposit insurance and \$345,160 of pledged securities with a total market value of \$1,010,203.

Interest Rate Risk: This is the risk that changes in market interest rates will adversely affect the fair value of the certificate of deposit. Generally, the longer the maturity of the investment, the greater the sensitivity of its fair value is to changes in market interest rates. The Fire District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Fire District's deposits are in interest bearing and non-interest bearing checking and savings accounts and short-term certificates of deposit which limits exposure to fair value losses.

3. CAPITAL ASSETS

Capital asset balances and activity for the year ended December 31, 2020, are as follows:

<u>Governmental Activities</u>	<u>Balance December 31, 2019</u>	<u>Additions</u>	<u>Deletions / Reclassifications</u>	<u>Balance December 31, 2020</u>
Vehicles	\$ 1,520,013	\$ 356,752	\$ -	\$ 1,876,765
Buildings	1,488,474	41,284	-	1,529,758
Firefighting Equipment	471,599	22,612	-	494,211
Construction in Progress	-	20,846	-	20,846
Total	<u>3,480,086</u>	<u>441,494</u>	<u>-</u>	<u>3,921,580</u>
Less accumulated depreciation				
Vehicles	1,097,609	87,481	-	1,185,090
Buildings	235,867	39,055	-	274,922
Firefighting Equipment	369,153	14,243	-	383,396
Total	<u>1,702,629</u>	<u>140,779</u>	<u>-</u>	<u>1,843,408</u>
Capital assets, net	<u>\$ 1,777,457</u>	<u>\$ 300,715</u>	<u>\$ -</u>	<u>\$ 2,078,172</u>

Depreciation expense of \$140,779 was charged to the public safety function.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

4. LEVIED TAXES

The Fire District levies taxes on real and business property located within the boundaries of the Fire District. Property taxes are levied by the Fire District on property values assessed by the DeSoto Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The DeSoto Parish Sheriff's offices bills and collects property taxes for the Fire District. Collections are remitted to the Fire District monthly. The Fire District recognizes property tax revenues when levied.

The property tax calendar is as follows:

Assessment date	January 1, 2020
Levy date	June 30, 2020
Tax bills mailed	October 15, 2020
Total taxes are due	December 31, 2020
Penalties & interest added	January 31, 2021
Tax sale	May 15, 2021

The Fire District has authorized a 10.24 mills ad valorem tax millage for 2020. The taxes are normally collected in December of the current year and January and February of the ensuing year. Total assessed value in the Fire District was \$38,853,258 in 2020. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$2,708,877 in 2020. The net ad valorem tax assessed for the Fire District for 2020 was \$369,940. Total of ad valorem tax revenues recognized in 2020 by the Fire District was \$369,940.

The following are the principal taxpayers for the Fire District (2020 amounts):

	TYPE OF BUSINESS	ASSESSED VALUATION	% OF TOTAL TAXABLE VALUATION	AD VALOREM TAX REVENUE FOR FIRE DISTRICT
Indigo Minerals LLC	Oil & Gas	\$ 5,919,651	15.24%	\$ 56,279
Enterprise Gathering, LLC	Oil & Gas	\$ 4,625,127	11.90%	\$ 43,945
Comstock Oil & Gas, LP	Oil & Gas	\$ 3,853,818	9.92%	\$ 36,633
Enable Midstream Partners, LP	Oil & Gas	\$ 2,891,515	7.44%	\$ 27,475
DTE Louisiana Gas Gathering, LLC	Oil & Gas	\$ 2,363,151	6.08%	\$ 22,453
Southwestern Electric Power	Utility	\$ 1,706,189	4.39%	\$ 16,212
Chesapeake Operating, LLC	Oil & Gas	\$ 1,671,400	4.30%	\$ 15,879
Louisiana Midstream Gas Service	Oil & Gas	\$ 1,396,795	3.60%	\$ 13,294
Amplify Energy Operating, LLC	Oil & Gas	\$ 1,345,611	3.46%	\$ 12,777
Northeast Texas Electric	Utility	\$ 1,204,994	3.10%	\$ 11,448
Total		<u>\$26,978,251</u>	<u>69.43%</u>	<u>\$ 256,395</u>

5. RISK MANAGEMENT

The Fire District is exposed to various risks of loss related to torts, theft of or damage to and destruction of assets and errors and omissions. To reduce these risks, the Fire District purchases commercial insurance. No settled claims from these risks have exceeded insurance coverage in the last three years. There were no significant changes to insurance coverage during the year ended December 31, 2020.

6. LITIGATION

There is no litigation pending against the Fire District, at December 31, 2020, nor is it aware of any unasserted claims.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020

7. RELATED PARTY TRANSACTIONS

FASB 57 requires the disclosure of the description of the relationship, the transactions, the dollar amount of the transactions, and any amounts due to or from that result from related party transactions. There were no related party transactions.

8. LEASE AGREEMENT

The Fire District entered into an operating lease with the DeSoto Parish School Board in May of 1989 for the land on which one of the stations is located. The lease term was 98 years and the amount of the lease was one dollar, which was paid at the inception of the lease. This lease was renegotiated and a new lease option was approved in August, 2010.

9. COMPENSATION PAID TO BOARD MEMBERS

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

10. RETIREMENT COMMITMENTS

The Fire District has two employees who are members of the Federal Social Security System. The Fire District and its employees contribute a percentage of the employees' salary to the System. The Fire District's contribution was \$1,016 for the year ended December 31, 2020.

11. COOPERATIVE ENDEAVOR AGREEMENTS

During 2019, the Fire District, along with 5 other Parish Fire Districts, entered into a Cooperative Endeavor Agreement with the DeSoto Parish Sheriff's Office. The Sheriff's Office will provide the Fire Districts with adequate dispatching services for the annual sum of \$275,000 (payable in four quarterly payments) to be paid proportionally by each of the Fire Districts based on 2018 millage revenues. The total portion of Fire District 5 is \$11,187 (\$2,796.75 due quarterly). The DeSoto Sheriff agreed to hire 4 full time employees to provide the dispatching services and to employ a communications supervisor for those employees dispatching for the Fire Districts.

12. SUBSEQUENT EVENTS

Management has performed an evaluation of the Fire District's activities through June 24, 2021, and has concluded that there are no significant events requiring recognition or disclosure through the date and time these financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 For the Year Ended December 31, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Ad valorem taxes	\$ 370,000	\$ 370,000	\$ 366,179	\$ (3,821)
Intergovernmental revenue- state funds				-
Fire insurance rebate	6,900	6,900	7,336	436
State revenue sharing	3,000	3,000	3,799	799
Contributions	-	-	4,742	4,742
Other revenues	-	-	120	120
Interest income	1,000	1,000	3,224	2,224
Total Revenues	380,900	380,900	385,400	4,500
Expenditures				
Current:				
Public safety-fire				
Personnel and related benefits	26,000	26,000	23,647	2,353
Materials and supplies	98,920	114,120	71,862	42,258
General and administrative	39,200	50,800	58,158	(7,358)
Capital outlays	300,000	432,650	441,494	(8,844)
Total Expenditures	464,120	623,570	595,161	28,409
Net Change in Fund Balance	(83,220)	(242,670)	(209,761)	(23,909)
Fund balances, beginning of year	1,358,149	1,358,149	1,358,149	-
Fund balances, end of year	\$ 1,274,929	\$ 1,115,479	\$ 1,148,388	\$ (23,909)

See independent accountant's review report.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana
NOTE TO BUDGETARY COMPARISON SCHEDULE
December 31, 2020

Budgetary Information

The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The budget is adopted annually on the modified accrual basis of accounting. The budget comparison schedule presents the original adopted budget and the final amended budget.

The Fire District is required by state law to adopt an annual budget. A proposed budget is prepared by the governing board in November and made available for public inspection no later than 15 days prior to December 31, of each year. In open meeting prior to December 31, the budget is adopted and becomes part of the official minutes of the Fire District. The budget was approved December 16, 2019.

Once a budget is approved, it can be amended by approval of a majority of the Board. Amendments are presented at a regular open meeting for Board approval. The budget was amended once during the year at a regular board meeting on December 21, 2020. For the year ended December 31, 2020, actual revenues were more than budgeted amounts. Actual expenditures were less than appropriations.

OTHER SUPPLEMENTAL INFORMATION

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

For the Year Ended December 31, 2020

Todd Kreamer, Fire Chief

Purpose	Amount
Salary	\$ 8,191
Benefits-insurance (medicare taxes)	119
Benefits- retirement (Social Security taxes)	508
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	1,000
Travel	
Registration fees	
Conference travel	
Training	-
Housing	-
Unvouchered expenses	-
Special meals	-
Total	<u>\$ 9,818</u>

See independent accountant's review report.

OTHER REPORTS REQUIRED BY LOUISIANA GOVERNMENTAL
AUDIT GUIDE



Dees Gardner, Certified Public Accountants, LLC

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Commissioners DeSoto Parish
Fire Protection District No. 5
Stanley, Louisiana

We have performed the procedures enumerated below, which were agreed to by DeSoto Parish Fire Protection District No. 5 and the Louisiana Legislative Auditor, on the DeSoto Parish Fire Protection District no. 5's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2020, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The Fire District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

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 R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable, and report whether the expenditures were made in accordance with these laws.

One expenditure was made during the year for materials and supplies exceeding \$30,000. A tanker truck was bid and purchased in accordance with public bid law.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics).

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

3. Obtain from management a listing of all employees paid during the fiscal year.

Management provided us with the required list.

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

None of the employees included on the list of employees provided by management (agreed-upon procedure No. 3) appeared on the list provided by management in agreed-upon procedure No. 2.

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.

A list of disbursements was obtained. None of the business interests were found as a vendor.

Budgeting

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

Management provided us with a copy of the original budget and the only amended budget for 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.

The Board adopted the original budget on December 16, 2019, and amended the budget on December 21, 2020.

8. Compare the revenues and expenditures of the final 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

We compared the revenues and expenditures of the final budget to actual revenue and expenditures. Budgeted revenues for the year exceeded actual amounts. Total actual expenditures did not exceed budgeted amounts.

Accounting and Reporting

9. Obtain the list of disbursement 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 payee in the supporting documentation.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) Report whether the six disbursement are coded to the correct fund and general ledger account

All payments were properly coded to the correct general ledger account.

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

Inspection of documentation supporting the selected disbursements indicated proper approvals were found for all of the disbursements.

Meetings

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

The DeSoto Parish Fire Protection District No. 5 is only required to post a notice of each meeting and the accompanying agenda on the door of the Fire District's office building. Management notes during the Board meeting when the agendas are posted and by whom. There is then a vote to accept the agenda as posted at the beginning of each meeting.

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 inspected deposits for the period under examination and found no indication of new bank loans, bonds, or like indebtedness in 2020.

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 may constitute bonuses, advances, or gifts.

We inspected payroll records for the year and noted no instances which would indicate payments to employees which 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 report was filed timely.

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 did not enter into any contracts that utilized state funds.

Other Matters, Concerns, Suggestions, Recommendations, and/ or Comments

15. Discuss any other matters, concerns, suggestions, recommendations and/ or comments determined during the performance of attestation procedures.

None.

Prior-Year Comments and Recommendations

16. Review any prior-year suggestions, recommendations, and or comments to determine the extent to which such matters have been resolved.

Management approval of invoices was not clearly indicated on invoices in 2019. This matter has been resolved in the current year.

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

The purpose of this report is solely to describe the scope of testing performed on the Fire 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.

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC
Mansfield, Louisiana
June 24, 2021

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

June 1, 2021

Dees Gardner CPAs, LLC
122 Jefferson Street
Mansfield, LA 71052

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2020 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes [] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No []

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

Yes [] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [] No []

Accounting and Reporting

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

Meetings

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

Yes [] No []

Debt

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

Yes [] No []

Advances and Bonuses

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

Yes [] No []

Prior-Year Comments

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

Yes [] No []

General

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

Melanie Combs Clerk 6-21-21 Date

Ronald E. Combs Chairman 6/21/21 Date