

**ST. LANDRY FIRE PROTECTION
DISTRICT NO. II**
Port Barre, Louisiana

Financial Report

Year Ended December 31, 2020

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KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

INDEPENDENT AUDITOR'S REPORT

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

WWW.KSRCPAS.COM

Board of Commissioners
St. Landry Fire Protection District No. II
Port Barre, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the St. Landry Fire Protection District No. II (the District), a component unit of the St. Landry Parish Government, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of St. Landry Fire Protection District No. II, as of December 31, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 12 to the financial statements, the District had a prior year restatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 28 through 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of, the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information on pages 33 through 35 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative balance sheets on page 33 and the comparative statements of revenues, expenditures, and changes in fund balance on page 34 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The prior year comparative amounts on this information were derived from the District's 2019 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, were fairly presented in all material respects in relation to the basic financial statements from which they were derived.

The schedule of expenditures compared to budget on page 35 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 3, 2021

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Statement of Net Position
December 31, 2020

	Governmental Activities
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$4,646,018
Taxes receivable	358,016
Other receivable	5,312
Due from other governmental agencies	1,449,639
Prepaid insurance	34,317
Total current assets	6,493,302
Noncurrent assets:	
Capital assets not being depreciated -	
Land	36,659
Capital assets, net of depreciation	1,468,225
Total noncurrent assets	1,504,884
Total assets	7,998,186
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	1,139,609
LIABILITIES	
Current liabilities:	
Accounts and other liabilities	38,319
Noncurrent liabilities:	
Net pension liability	2,760,989
Total liabilities	2,799,308
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	340,631
NET POSITION	
Net investment in capital assets	1,504,884
Unrestricted	4,492,972
Total net position	\$5,997,856

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

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Statement of Activities
For the Year Ended December 31, 2020

Activities	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenues and Changes in Net Position Governmental Activities
Governmental activities:			
Public safety - fire	<u>\$ 2,864,300</u>	<u>\$ 136,417</u>	<u>\$ (2,727,883)</u>
	General revenues:		
			1,847,712
			32,257
			18,054
			111,601
			<u>83,428</u>
		Total general revenues	<u>2,093,052</u>
		Change in net position	(634,831)
		Net position - January 1, 2020, as restated	<u>6,632,687</u>
		Net position - December 31, 2020	<u>\$ 5,997,856</u>

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

FUND FINANCIAL STATEMENTS (FFS)

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Balance Sheet
Governmental Fund
December 31, 2020

General Fund

ASSETS

Cash and interest-bearing deposits	\$ 4,646,018
Taxes receivable	358,016
Other receivable	5,312
Due from other governmental agencies	1,449,639
Prepaid insurance	<u>34,317</u>
Total assets	<u>\$ 6,493,302</u>

LIABILITIES, DEFERRED INFLOWS
OF RESOURCES, AND FUND BALANCES

Liabilities:	
Accounts payable	\$ 3,070
Accrued liabilities	<u>35,249</u>
Total liabilities	<u>38,319</u>
Deferred inflows of resources:	
Ad valorem taxes	48,546
State revenue sharing	<u>21,504</u>
Total deferred inflows of resources	<u>70,050</u>
Fund balance:	
Nonspendable - prepaid items	34,317
Unassigned	<u>6,350,616</u>
Total fund balance	<u>6,384,933</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 6,493,302</u>

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

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2020

Total fund balance for the governmental fund at December 31, 2020		\$ 6,384,933
Total net position reported for the governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 36,659	
Depreciable assets, net of \$2,155,774 accumulated depreciation	<u>1,468,225</u>	1,504,884
The deferred outflows of expenditures for pensions are not a use of current resources and, therefore, are not reported in the funds		
		1,139,609
Long term liabilities are not due and payable in the current period and, therefore, not reported in the governmental funds.		
Long-term liabilities at December 31, 2020:		
Net pension liability		(2,760,989)
Some of the District's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources at the fund level.		
Ad valorem taxes	48,546	
State revenue sharing	<u>21,504</u>	70,050
The deferred inflows of contributions for the pension plan are not available resources and, therefore, are not reported in the funds		
		<u>(340,631)</u>
Total net position of governmental activities at December 31, 2020		<u>\$ 5,997,856</u>

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

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Statement of Revenues, Expenditures, and Change in Fund Balance
Governmental Fund
For the Year Ended December 31, 2020

	<u>General Fund</u>
Revenues:	
Ad valorem taxes	\$ 1,835,316
Intergovernmental revenues -	
State revenue sharing	32,354
Fire insurance rebate	20,917
On-behalf payments	115,500
Other income	83,428
Interest income	<u>18,054</u>
Total revenues	<u>2,105,569</u>
 Expenditures:	
Current -	
Public safety - fire	2,315,244
Capital outlay	<u>14,547</u>
Total expenditures	<u>2,329,791</u>
 Net change in fund balance	 (224,222)
 Fund balance, beginning as restated	 <u>6,609,155</u>
 Fund balance, ending	 <u>\$ 6,384,933</u>

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

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Change in Fund Balance of Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2020

Total net change in fund balance for the year ended December 31, 2020 per statement of revenues, expenditures and changes in fund balance		\$ (224,222)
The change in net position reported for governmental activities in the statement of activities is different because:		
Depreciation expense for the year ended December 31, 2020	\$ (190,566)	
Capital outlay purchases which are considered expenditures on the statement of revenues, expenditures, and change in fund balance	14,547	
Loss on sale of assets	<u>(956)</u>	(176,975)
Some revenues are not considered measurable at year end, therefore, they are not considered "available" revenues in the governmental funds		
Non employer pension contributions		111,601
Some of the District's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources at the fund level.		
Ad valorem taxes	12,397	
State revenue sharing	<u>(98)</u>	12,299
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 governmental fund.		
Pension expense		<u>(357,534)</u>
Total change in net position for the year ended December 31, 2020 per statement of activities		<u>\$ (634,831)</u>

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

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the St. Landry Fire Protection District No. II (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The St. Landry Parish Fire Protection District No. II is a component unit of the St. Landry Parish Government. The District was established in 1955 to provide fire protection and rescue service for the residents of the District.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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.

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 and, therefore, are clearly identifiable to a particular 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 (FFS)

The accounts of the 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. The minimum number of funds is maintained consistent with legal and managerial requirements.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

The fund of the District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The District has only one fund, a governmental fund. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Fire District is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781 is the principal fund of the District and is used to account for the operations of the District. General operating expenditures are paid from this fund.

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” transactions are recorded regardless of the measurement focus applied.

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, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) 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 its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (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, deferred outflows of resources, liabilities, and deferred inflows of resources 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 outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District reports deferred inflows of resources on its governmental fund balance sheet. For governmental fund financial statements, deferred inflows arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred inflows also arise when resources are received before the District has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the deferred inflow is removed from the balance sheet and revenue is recognized.

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources 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 deposits of the District.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not received.

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 the asset or materially extend assets 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 assets. 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 and improvements	10 - 40 years
Equipment, furniture and fixtures	5 - 10 years
Fire engines	5 - 10 years

Employee Benefit Policy

Employees of the District who have been employed for one year earn 18 days of vacation pay. After ten years of service, they earn one additional day of vacation pay for each year worked up to the maximum of 30 days. All employees are entitled to 365 days sick pay after being employed for three months. No sick pay is paid upon resignation or retirement. Employees of the District are not allowed to carry over vacation; therefore, no accruals have been made for accumulated unpaid vacation and sick leave.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At December 31, 2020, the District recorded deferred inflows of resources resulting from ad valorem tax collections in the amount of \$48,546 and state revenue sharing collections in the amount of \$21,504 that was received more than 60 days after the close of the fiscal year in the fund financial statements. On the government-wide financial statements, the District also recognized deferred inflows of resources in the amount of \$340,631 and deferred outflows of resources in the amount of \$1,139,609 attributable to its pension plan.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

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 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.
- b. Restricted net position – Net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the District's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. 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 District.

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balances of the governmental fund are classified as follows.

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Board, which is the highest level of decision-making authority for the District.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes determined by a formal decision of the Board.
- e. Unassigned – all other spendable amounts.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

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 the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2020, the District's cash and interest-bearing deposits (book balances) consisted of demand deposits totaling \$4,646,018.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security 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 bank. These securities are held in the name of the District or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2020, are secured as follows:

Bank balances	<u>\$4,670,880</u>
Secured by:	
Federal deposit insurance	\$ 250,000
Pledged securities	<u>4,420,880</u>
	<u>\$4,670,880</u>

Deposits in the amount of \$4,420,880 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the District's name. The District does not have a policy for custodial credit risk.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the St. Landry Parish Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the St. Landry Assessor and are collected by the St. Landry Parish Sheriff.

For the year ended December 31, 2020, taxes were levied at the rate of 17.58 mills on property with net assessed valuations totaling \$115,519,451. The total assessment of 17.58 mills consists of one tax levy: 17.58 mills assessed in 2020, expiring in 2029. This tax levy was renewed for a period of ten (10) years, beginning with year 2020 and ending with the year 2029.

Total taxes levied during 2020 were \$2,030,834, excluding \$157,573 due to homestead exemption. Taxes receivable at December 31, 2020 of \$358,016 consisted of \$376,636 gross taxes receivable less an allowance for uncollectible accounts of \$18,620.

(4) Due from Other Governmental Agencies

The balance in due from other governmental agencies of \$1,449,639 consisted of \$1,428,135 due from St. Landry Parish Sheriff and \$21,504 due from the State of Louisiana at December 31, 2020.

(5) Capital Assets

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

	Balance 01/01/20	Additions	Deletions	Balance 12/31/20
Land	\$ 36,659	\$ -	\$ -	\$ 36,659
Buildings and improvements	1,408,254	1,554	1,200	1,408,608
Equipment, furniture and fixtures	498,452	12,993	373	511,072
Fire engines	1,704,319	-	-	1,704,319
Totals	3,647,684	14,547	1,573	3,660,658
Less: Accumulated depreciation	1,965,825	190,565	616	2,155,774
Net Capital Assets	<u>\$ 1,681,859</u>	<u>\$ (176,018)</u>	<u>\$ 957</u>	<u>\$ 1,504,884</u>

Depreciation expense of \$190,565 was charged to the public safety function.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

(6) Employee Retirement Systems

The District participates in a cost-sharing defined benefit plan, administered by a public employee retirement system. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of the plan administered by the public employee retirement system to the State Legislature. The plan is not closed to new entrants. Substantially all District employees participate in the following retirement system:

Plan Description:

State of Louisiana – Firefighters’ Retirement System (FRS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2251-2254 and 11:2256.

The system’s financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned.

A brief summary of eligibility and benefits of the plan is provided in the following table:

Final average salary	Highest 36 months
Years of service required and/or age eligible for benefits	25 years of any age 20 years age 50 12 years age 55
Benefit percent per years of service	3.33%

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer’s portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems’ Actuarial Committee. For the year ended December 31, 2020, the contribution percentages for employees and employer were 10.0% and 32.25%, respectively. The amounts contributed from non-employer contributing entities and from the District for the year ended December 31, 2020 were \$111,601 and \$301,230, respectively.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

Net Pension Liability

The District's net pension liability at December 31, 2020 of \$2,760,989 is comprised of its proportionate share of the net pension liability relating to the cost-sharing plan in which the District is a participating employer. The District's net pension liability for the plan was measured as of the plan's measurement date (June 30, 2020) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability for the plan in which it participates was based on the District's required contributions in proportion to total required contributions for all employers.

As of the most recent measurement date, the District's proportion for the plan was 0.398322% and the change in proportion from the prior measurement date was an decrease of 0.033427%.

Since the measurement date of the net pension liability was June 30, 2020, the net pension liability is based upon fiduciary net position for the plan as of that date. Detailed information about the pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the District's net pension liability is available in the separately issued plan financial report which may be accessed on their website at <http://www.ffret.com>.

Actuarial Assumptions

The following table provides information concerning actuarial assumptions used in the determination of the total pension liability for the defined benefit plan in which the District is a participating employer:

Date of experience study on which significant assumptions are based	7/1/2014 - 6/30/2020
Expected remaining service lives	7
Inflation Rate	2.500%
Projected salary increases	5.20% - 14.10%
Projected benefit changes including COLAs	None
Source of mortality assumptions	(1), (2),(3),(4)

- (1) Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees used for active members.
- (2) Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees used for annuitants and beneficiaries.
- (3) Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees used for disabled retirees.
- (4) In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

Cost of Living Adjustments

The pension plan in which the District participates has the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis.

Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide system (FRS) to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

Discount Rate

The discount rate used to measure the District's total pension liability for the plan and the significant assumptions used in the determination of the discount rate for the plan are as follows:

Discount rate	7.00%
Change in discount rate from prior valuation	-0.15%
Plan cash flow assumptions	(1)
Rates incorporated in the Discount Rate:	
Long-term Rate of Return	7.00%
Periods applied	All
Municipal Bond Rate	N/A

***Plan Cash Flow Assumptions:**

- 1) Plan member contributions will be made at the current contributions rates and sponsor contributions will be made at the actuarially determined rates.

The discount rate used to measure the District's total pension liability for the plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. The long-term expected rate of return for the plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized for the plan in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Domestic Equity	26%	5.72%
International Equity	12%	6.24%
Global Equity	10%	6.23%
Emerging Market Equity	6%	8.61%
Fixed Income	31%	4.40%
Real Estate	6%	4.20%
Private Equity	9%	10.29%
Global Tactical Asset Allocation	0%	4.22%
Risk Parity	0%	4.22%
Total	<u>100%</u>	

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2020, the District recognized \$648,090 in pension expense related to the defined benefit plan in which it participates.

At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 176,648
Changes of assumptions	266,900	-
Net difference between projected and actual earnings on pension plan investments	304,057	-
Change in proportion and differences between employer contributions and proportionate share of contributions	407,450	163,983
Employer contributions subsequent to the measurement date	<u>161,202</u>	-
Total	<u>\$1,139,609</u>	<u>\$ 340,631</u>

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

Deferred outflows of resources of \$161,202 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending December 31, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

<u>Year Ended December 31</u>	<u>Net Amount Recognized in Pension Expense</u>
2021	\$ 176,173
2022	233,114
2023	172,922
2024	86,781
2025	(10,751)
Thereafter	(20,463)
	<u>\$ 637,776</u>

Sensitivity of the District's Proportional Share of the Net Pension Liabilities to Changes in the Discount Rate:

The following presents the District's proportionate share of the net pension liabilities of the plan, calculated using its respective discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability	\$3,988,221	\$ 2,760,989	\$1,736,612

Payables to Pension Plan

Included in accounts and other liabilities at December 31, 2020 was the District's payable to FRS of \$23,484, which was the contractually required contribution for the month of December 2020.

(7) Risk Management

The District is exposed to risks of loss in the areas of auto and property liability and surety bonds. All these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

(8) On-Behalf Payment of Salaries

The State of Louisiana paid the District's firemen \$115,500 of supplemental pay during the year ended December 31, 2020. Such payments are recorded as intergovernmental revenues and public safety expenditures.

(9) Litigation

As of December 31, 2020, the District is not involved in any litigation.

(10) Compensation of Board Members

A detail of compensation paid to Board Members for the year ended December 31, 2020 follows:

John P. Ardoin, Secretary/Treasurer	\$ 8,094
Don LeBlanc, Chairman	5,034
James Kennison	525
John Lamury	525
Robert Duplechin	750
Leroy Andrus	<u>675</u>
Total	<u>\$ 15,603</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Board members received \$75 per diem for attendance at regular meetings of the Board and the chairman received \$357 per month as an expense allowance. John Ardoin receives additional compensation because he functions as both secretary and treasurer, which involves bookkeeping duties for the department.

(11) Compensation, Benefits, and Other Payments to Agency Head

A detail of amounts paid to Roy Hardy, Fire Chief, for the year ended December 31, 2020 follows:

Purpose:	<u>Amount</u>
Salary	\$ 116,611
Benefits - retirement and other taxes	8,921
Benefits - insurance	7,695
Cell phone	<u>398</u>
Total	<u>\$ 133,625</u>

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Basic Financial Statements (Continued)

(12) Restatement of Net Position

During the year ended December 31, 2020, the District determined that the amounts reported for ad valorem taxes receivable and state revenue sharing receivable were not properly stated. The effect of the correction is as follows:

	Government-Wide Financial Statements
	Governmental Activities
Net position, beginning of year, as previously stated	\$ 6,835,065
Correction of ad valorem tax receivable	(202,378)
Net position, beginning of year, as restated	<u>\$ 6,632,687</u>
	Fund Financial Statements
	General Fund
Net position, beginning of year, as previously stated	\$ 6,825,761
Correction of ad valorem taxes receivable	(202,378)
Correction of deferred inflows of resources:	
Ad valorem taxes	7,374
State revenue sharing	<u>(21,602)</u>
Net position, beginning of year, as restated	<u>\$ 6,609,155</u>

(13) Subsequent Event

As a result of the spread of the COVID-19 Coronavirus, economic uncertainties have arisen which may have and continue to impact the District's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

**REQUIRED
SUPPLEMENTARY INFORMATION**

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2020

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,900,629	\$ 1,875,644	\$ 1,835,316	\$ (40,328)
Intergovernmental revenues -				
State revenue sharing	33,000	32,403	32,354	(49)
Fire insurance rebate	26,000	20,917	20,917	-
On-behalf payments	-	115,500	115,500	-
Other income	80,000	70,515	83,428	12,913
Interest income	30,000	20,209	18,054	(2,155)
Total revenues	<u>2,069,629</u>	<u>2,135,188</u>	<u>2,105,569</u>	<u>(29,619)</u>
Expenditures:				
Current -				
Public safety fire	2,298,644	2,329,093	2,315,244	13,849
Capital outlay	25,000	14,547	14,547	-
Total expenditures	<u>2,323,644</u>	<u>2,343,640</u>	<u>2,329,791</u>	<u>13,849</u>
Net change in fund balance	(254,015)	(208,452)	(224,222)	(15,770)
Fund balance, beginning	<u>6,609,155</u>	<u>6,609,155</u>	<u>6,609,155</u>	<u>-</u>
Fund balance, ending	<u>\$ 6,355,140</u>	<u>\$ 6,400,703</u>	<u>\$ 6,384,933</u>	<u>\$ (15,770)</u>

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Firefighters' Retirement System
Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2020

Plan Fiscal Year	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2020	0.398322%	\$ 2,760,989	\$ 991,665	278.4%	72.61%
6/30/2019	0.431749%	2,703,573	1,043,483	259.1%	73.96%
6/30/2018	0.431749%	2,474,481	1,024,211	241.6%	74.76%
6/30/2017	0.378859%	2,171,563	884,582	245.5%	73.55%
6/30/2016	0.323592%	2,116,584	731,435	289.4%	68.16%
6/30/2015	0.249285%	1,345,419	532,848	252.5%	72.45%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Firefighters' Retirement System
Schedule of Employer Contributions
For the Year Ended December 31, 2020

Fiscal Year Ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
2020	\$301,230	\$301,230	\$ -	\$ 1,004,100	30.00%
2019	284,331	284,331	-	1,048,225	27.12%
2018	279,055	279,055	-	1,053,038	26.50%
2017	263,576	263,576	-	1,018,651	25.88%
2016	187,388	187,388	-	713,859	26.25%
2015	188,948	188,948	-	668,842	28.25%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Notes to the Required Supplementary Information

(1) Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to January 1, the Chairman submits to the Board a proposed budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
- b. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
- c. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
- d. All budgetary appropriations lapse at the end of each fiscal year.
- e. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Fire District. Such amendments were not material in relation to the original appropriations.

(2) Pension Plan

Changes of assumptions about future economic or demographic factors or of other outputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that were provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and other various factors that have an impact on the cost of the plan.

OTHER SUPPLEMENTARY INFORMATION

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Comparative Balance Sheets
General Fund
December 31, 2020 and 2019

	2020	2019
ASSETS		
Cash and interest-bearing deposits	\$4,646,018	\$4,907,119
Taxes receivable	358,016	247,748
Other receivable	5,312	5,312
Due from other governmental agencies	1,449,639	1,557,452
Prepaid insurance	34,317	24,113
Total assets	\$6,493,302	\$6,741,744
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 3,070	\$ 3,828
Accrued liabilities	35,249	71,009
Total liabilities	38,319	74,837
 Deferred inflows of resources:		
Ad valorem taxes	48,546	36,150
State revenue sharing	21,504	21,602
Total deferred inflows of resources	70,050	57,752
 Fund balances:		
Nonspendable - prepaid items	34,317	24,113
Unassigned	6,350,616	6,585,042
Total fund balances	6,384,933	6,609,155
Total liabilities, deferred inflows of resources, and fund balances	\$6,493,302	\$6,741,744

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Comparative Statements of Revenues, Expenditures, and Change in Fund Balance
General Fund
For the Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues:		
Ad valorem taxes	\$1,835,316	\$1,917,615
Intergovernmental revenues -		
State revenue sharing	32,354	32,558
Fire insurance rebate	20,917	21,066
On-behalf payments	115,500	132,750
Other income	83,428	160,851
Interest income	<u>18,054</u>	<u>29,614</u>
Total revenues	<u>2,105,569</u>	<u>2,294,454</u>
 Expenditures:		
Current -		
Public safety - fire	2,315,244	2,646,402
Capital outlay	<u>14,547</u>	<u>-</u>
Total expenditures	<u>2,329,791</u>	<u>2,646,402</u>
 Net change in fund balance	(224,222)	(351,948)
 Fund balance, beginning, as restated	<u>6,609,155</u>	<u>6,961,103</u>
 Fund balance, ending	<u>\$6,384,933</u>	<u>\$6,609,155</u>

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Schedule of Expenditures Compared to Budget (GAAP Basis) -
General Fund
For the Year Ended December 31, 2020
With Comparative Actual Amounts for Year Ended December 31, 2019

	2020				2019 Actual
	Budget		Actual	Variance - Favorable (Unfavorable)	
	Original	Final			
Current:					
Public safety -					
Board fees/compensation	\$ 17,253	\$ 15,678	\$ 15,603	\$ 75	\$ 16,203
Salaries	1,177,841	1,278,121	1,266,522	11,599	1,367,154
Extra shifts and call out time	120,000	68,200	81,565	(13,365)	267,075
Payroll taxes	123,500	106,735	106,010	725	127,817
Pension plan contribution	265,000	328,500	301,230	27,270	316,524
Pension deduction	58,000	59,419	58,507	912	59,419
Repairs and maintenance	37,000	36,000	35,153	847	30,152
Office expense	12,050	5,920	5,553	367	18,403
Supplies	44,200	36,000	38,042	(2,042)	32,328
Professional fees	29,700	30,820	30,820	-	29,563
Telephone and utilities	45,500	36,200	36,382	(182)	42,929
Insurance	348,600	310,400	323,762	(13,362)	314,535
Gasoline and oil	15,000	11,300	10,803	497	14,980
Tax election	-	-	-	-	3,889
Uniforms	5,000	5,800	5,292	508	5,431
Total public safety	<u>2,298,644</u>	<u>2,329,093</u>	<u>2,315,244</u>	<u>13,849</u>	<u>2,646,402</u>
Capital outlay	<u>25,000</u>	<u>14,547</u>	<u>14,547</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>\$ 2,323,644</u>	 <u>\$ 2,343,640</u>	 <u>\$ 2,329,791</u>	 <u>\$ 13,849</u>	 <u>\$ 2,646,402</u>

**INTERNAL CONTROL,
COMPLIANCE
AND OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Brad E. Kolder, CPA, JD*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

1428 Metro Dr. 450 E. Main St.
Alexandria, LA 71301 New Iberia, LA 70560
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.
Abbeville, LA 70510 Morgan City, LA 70380
Phone (337) 893-7944 Phone (885) 384-2020

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

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

Board of Commissioners
St. Landry Fire Protection District No. II
Port Barre, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the St. Landry Fire Protection District No. II (the District), a component unit of the St. Landry Parish Government as of and for the year ended December 31, 2020, and the related notes to the financial statements, which comprise the District's basic financial statements and have issued our report thereon dated June 3, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan, we identified a certain deficiency in internal control that we consider to be a material weakness. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2020-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. We did not audit the District's response and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 3, 2021

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan

Part I. Current Year Audit Findings and Management's Corrective Action Plan

A. Internal Control Findings -

2020-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 2007

CONDITION The District did not have adequate segregation of functions within the accounting system.

CRITERIA: The District should have a control which results in no person being given responsibility for more than one related function.

CAUSE: Due to the size of the District, there are a small number of available employees.

EFFECT: The District has employees that are performing more than one related function.

RECOMMENDATION: The District should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Due to the size of the operations and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

B. Compliance Findings

There are no findings to report under this section.

Part II. Prior Year Audit Findings

A. Internal Control Findings -

2019-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: 2007

CONDITION Due to the small number of employees, the District did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: The District should establish and monitor mitigating controls over functions that are not completely segregated.

CURRENT STATUS: Unresolved. See finding 2020-001.

ST. LANDRY FIRE PROTECTION DISTRICT NO. II
Port Barre, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (Continued)

B. Compliance Findings –

2019-002 Budget Violation

Fiscal year finding initially occurred: 2019

CONDITION The Louisiana Local Government Budget Act requires governments to both adopt a realistic budget and amend their budget when total actual revenues fail to meet budgeted revenues or actual expenditures exceed total budgeted expenditures by 5% or more.

RECOMMENDATION: The budget should be reviewed periodically during the year, and amended as necessary, to ensure compliance.

CURRENT STATUS: Resolved.