



NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT

FINANCIAL REPORT

DECEMBER 31, 2020

NAPoleonVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

FINANCIAL REPORT
DECEMBER 31, 2020

CONTENTS

	PAGE
INDEPENDENT ACCOUNTANTS' REVIEW REPORT	
Independent Accountants' Review Report	1 - 2
REQUIRED SUPPLEMENTARY INFORMATION - PART I	
Management's Discussion and Analysis	3 - 8
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of Net Position	9
Statement of Activities	10
FUND FINANCIAL STATEMENTS (FFS)	
Balance Sheet - General Fund	11
Reconciliation of the Balance Sheet – General Fund to the Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund to the Statement of Activities	14
Notes to Financial Statements	15 - 22
REQUIRED SUPPLEMENTARY INFORMATION- PART II	
Budgetary Comparison Schedule - General Fund	23
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits, and Other Payments to Agency Head	24
OTHER SUPPLEMENTARY INFORMATION REQUIRED BY LOUISIANA LEGISLATIVE AUDITOR	
Independent Accountants' Report on Applying Agreed-Upon Procedures	25 - 27
Louisiana Attestation Questionnaire	28 - 29

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Commissioners of
Napoleonville Volunteer Fire Department
Napoleonville, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Napoleonville Volunteer Fire Department (Fire Department) (a nonprofit corporation) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Fire Department's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, 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.

Accountants' Conclusion

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the management's discussion and analysis and budgetary comparison schedule on pages 3-8 and 23, respectively, be presented to supplement the basic financial statements. 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Supplementary Information

The accompanying supplementary schedule of compensation, benefits, and other payments to agency head on page 24 is presented only for purposes of additional analysis and is not a required part of the basic financial statements. 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 supplementary information. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.



Donaldsonville, Louisiana
June 25, 2021

REQUIRED SUPPLEMENTARY INFORMATION – PART I

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

This section of the Fire Department's annual financial report presents our discussion and analysis of the Fire Department's financial performance during the fiscal year that ended on December 31, 2020. Please read it in conjunction with the Fire Department's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- Net position of the Governmental Activities within the government-wide financial statements was restated as of December 31, 2019 by an increase of \$31,331. The increase to prior period net position was necessary to correct an over accrual of ad valorem tax revenue, the exclusion of a demand deposit account, and an understatement of the cost and accumulated depreciation of capital assets.
- The Fire Department's total net position increased by \$27,000 over the course of this year's operations.
- Fire protection grant revenues of \$200,253 accounted for nearly 90% of total revenue for the year.
- Expenses for the year were \$198,716, including depreciation expense of \$100,773.
- The General Fund reported a fund balance of \$143,605. This is a decrease of \$251,197 from prior year fund balance of \$394,802, as restated. The main decrease is due to the acquisition of a building and related renovation costs for a new fire station of \$371,798.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the Fire Department:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Fire Department's overall financial status.
- The remaining statement is the general fund financial statement that focus on individual parts of the Fire Department, reporting the Fire Department's operations in more detail than the government-wide statements.
 - The governmental fund statement tells how general government services like public safety were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Fire Department's financial statements, including the portion of the Fire Department's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

Figure A-1 Major Features of the Fire Department's Government and Fund Financial Statements		
	Government-wide Statements	Fund Statements General Fund
Scope	Entire Fire Department	The activities of the Fire Department
Required financial statements	<ul style="list-style-type: none">• Statement of net position• Statement of activities	<ul style="list-style-type: none">• Balance sheet• Statement of revenues, expenditures, and changes in fund balance
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after end of the year; expenditures when goods or services have been received or have otherwise been incurred

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

Government-wide Statements

The government-wide statements report information about the Fire Department as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and deferred outflows of resources and liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Fire Department's net position and how they have changed. Net position—the difference between the Fire Department's assets and deferred outflows of resources and liabilities and deferred inflows of resources—is one way to measure the Fire Department's financial health, or position.

- Over time, increases or decreases in the Fire Department's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the Fire Department include:

- Governmental activities—all of the Fire Department's basic services are included here. Fire protection grant revenues, fire insurance rebate, and interest finance most of these activities.

Fund Financial Statements

The fund financial statement provides more detailed information about the Fire Department's only significant fund, the General Fund. Funds are accounting devices that the Fire Department uses to keep track of specific sources of funding and spending for particular purposes.

The Fire Department has one type of fund:

- Governmental fund—The Fire Department's basic services are included in a governmental fund, the General Fund, which focuses on (1) how cash and other financial assets that can readily be converted to cash flows in and out and (2) the balance left at year-end that is available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Fire Department's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statements, or on the subsequent page, that explains the relationship (or differences) between them.

NAPOLÉONVILLE VOLUNTEER FIRE DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

FINANCIAL ANALYSIS OF THE FIRE DEPARTMENT AS A WHOLE

The Fire Department's net position increased between fiscal years 2020 and 2019 increased 4 percent to approximately \$694,000. (See Table A-1.)

**Table A-1
Fire Department's Net Position**

	Governmental Activities	
	2020	2019 Restated
Current and other assets	\$ 143,605	\$ 394,802
Capital assets, net	550,699	272,502
Total assets	694,304	667,304
Liabilities	-	-
Net position		
Net investment in capital assets	550,699	272,502
Unrestricted	143,605	394,802
Total net position	\$ 694,304	\$ 667,304

Changes in net position. The Fire Department's total revenues increased by 4.1 percent to \$225,716 (See Table A-2). Approximately 88.7 percent of the Fire Department's revenue comes from the fire protection grant from the Assumption Parish Police Jury and approximately 7.7 percent comes from fire insurance rebates. During 2020 and 2019, the Fire Department received one grant totaling \$200,253 and \$196,203, respectively, from the Assumption Parish Police Jury.

The total cost of all expenses increased approximately \$6,800 or 3.6 percent. All of the Fire Department's expenses are incurred in providing fire protection to the public within a designated area of Assumption Parish. (See Table A-2)

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

Governmental Activities

**Table A-2
Changes in the Fire Department's Net Position**

	Governmental Activities	
	2020	2019 Restated
Revenues		
Program revenues		
Fire protection grant	\$ 200,253	\$ 196,203
General revenues		
Fire insurance rebate	17,480	17,702
In-kind contributions	5,745	-
Other donations	1,850	1,735
Interest	88	1,114
Other	300	156
Total revenues	225,716	216,910
Expenses		
General government – public safety	198,716	191,884
Total expenses	198,716	191,884
Increase in net position	27,000	25,026
Beginning net position, as restated	667,304	642,278
Ending net position	\$ 694,304	\$ 667,304

FINANCIAL ANALYSIS OF THE FIRE DEPARTMENT'S FUNDS

As the Fire Department completed the year, its governmental fund reported a fund balance of \$143,605, a decrease from last year of \$251,197, or 63.6 percent, as restated. The main decrease is due to the acquisition of a building and related renovation costs for a new fire station totaling \$371,798.

General Fund Budgetary Highlights

- Over the course of the year, the Fire Department amended its budget once. This amendment reflected a decrease in current operating expenses along with a decrease in annual banquet and capital outlay expenses.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of 2020, the Fire Department had invested \$550,699 in capital assets. This amount represents a net increase from the prior year of approximately \$278,000, which is due to the acquisition of a building and related renovation costs for a new fire station and equipment. (See Table A-3)

Table A-3
Fire Department's Capital Assets

	Governmental Activities	
	2020	2019 Restated
Buildings	\$ 105,058	\$ 105,058
Vehicles	1,314,410	1,314,410
Firefighting Equipment	1,074,239	1,067,067
Construction in Progress	371,798	-
Accumulated Depreciation	(2,314,806)	(2,214,033)
Net Capital Assets	\$ 550,699	\$ 272,502

Outstanding debt. As of December 31, 2020 and 2019, the Fire Department had no debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

During the current year, the Fire Department received local grant proceeds in the amount of \$200,253. This grant is expected to be recurring for 2021; therefore, the Fire Department's budget for 2021 is expected to remain consistent to the current fiscal year.

RESTATEMENT OF PRIOR YEAR END FUND BALANCE AND NET POSITION

Fund balance of the General Fund within the fund financial statements was restated as of December 31, 2019 by an increase of \$22,862. The increase to prior period fund balance was necessary to correct an over accrual of ad valorem tax receivable reported in the prior fiscal year. Additionally, a demand deposit account was excluded from the prior year fund financial statements.

Net position of the Governmental Activities within the government-wide financial statements was restated as of December 31, 2019 by an increase of \$31,331. The increase to prior period net position was necessary to correct an over accrual of ad valorem tax revenue, the exclusion of a demand deposit account from the statement of net position, and an understatement of the cost and accumulated depreciation of capital assets.

See Note E to the financial statements.

CONTACTING THE FIRE DEPARTMENT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Fire Department's finances and to demonstrate the Fire Department's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Gerald Richard, P.O. Box 911, Napoleonville, LA 70390.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
NAPOLEONVILLE, LOUISIANA

STATEMENT OF NET POSITION
DECEMBER 31, 2020

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current Assets:	
Cash and cash equivalents	\$ 128,680
Due from other governments	14,925
Total current assets	<u>143,605</u>
Noncurrent Assets:	
Nondepreciable capital assets	371,798
Capital assets, net of accumulated depreciation	<u>178,901</u>
Total noncurrent assets	<u>550,699</u>
Total assets	<u>694,304</u>
<u>LIABILITIES</u>	-
<u>NET POSITION</u>	
Net investment in capital assets	550,699
Unrestricted	<u>143,605</u>
Total net position	<u><u>\$ 694,304</u></u>

See accompanying notes and independent accountants' review report.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
NAPOLEONVILLE, LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Revenues				
	Charges for	Capital	Operating	Net Expense	
Expenses	Services	Grants and	Grants and	and Changes	
		Contributions	Contributions	in Net Position	
<u>Functions/Programs</u>					
Governmental activities					
Public Safety	\$ 198,716	\$ -	\$ 200,253	\$ 1,537	
Total governmental activities	<u>\$ 198,716</u>	<u>\$ -</u>	<u>\$ 200,253</u>	<u>1,537</u>	
General Revenues:					
Fire insurance rebate				17,480	
In-kind services				5,745	
Other donations				1,850	
Miscellaneous				300	
Interest				88	
Total general revenues				<u>25,463</u>	
Change in net position				27,000	
Net position, beginning of year, as restated				<u>667,304</u>	
Net position, end of year				<u>\$ 694,304</u>	

See accompanying notes and independent accountants' review report.

FUND FINANCIAL STATEMENTS (FFS)

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
NAPOLEONVILLE, LOUISIANA

BALANCE SHEET
GENERAL FUND
DECEMBER 31, 2020

ASSETS

Cash and cash equivalents	\$ 128,680
Due from other governments	<u>14,925</u>
Total Assets	<u><u>\$ 143,605</u></u>

LIABILITIES

\$ -

FUND BALANCES

Unassigned	<u>143,605</u>
Total Fund Balances	<u>143,605</u>
Total Liabilities and Fund Balances	<u><u>\$ 143,605</u></u>

See accompanying notes and independent accountants' review report.

NAPoleonVILLE VOLUNTEER FIRE DEPARTMENT
NAPoleonVILLE, LOUISIANA

RECONCILIATION OF THE BALANCE SHEET GENERAL
FUND TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020

Total fund balances - General Fund	\$ 143,605
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Amounts reported for governmental activities in the statement of net position
are different because:

Capital assets used in governmental activities are not current
financial resources and therefore, are not reported in the General Fund.

Those assets consist of:

Buildings, vehicles, and equipment	\$ 2,493,707	
Construction in progress	371,798	
Less: Accumulated Depreciation	<u>(2,314,806)</u>	550,699

Total net position - Governmental Activities	<u><u>\$ 694,304</u></u>
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See accompanying notes and independent accountants' review report.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
NAPOLEONVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

REVENUES

Intergovernmental:	
Fire protection grant	\$ 200,253
Fire insurance rebate	17,480
In-kind services	5,745
Other donations	1,850
Miscellaneous	300
Interest	88
Total revenues	<u>225,716</u>

EXPENDITURES

Current:	
Public safety	97,943
Capital outlay	378,970
Total expenditures	<u>476,913</u>

<u>EXCESS OF EXPENDITURES OVER REVENUES</u>	<u>(251,197)</u>
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Fund balance - beginning of year, as restated	<u>394,802</u>
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Fund balance - end of year	<u>\$ 143,605</u>
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See accompanying notes and independent accountants' review report.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
NAPOLEONVILLE, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF
GENERAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Net change in fund balance - General Fund	\$ (251,197)
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The change in net position reported for governmental activities in the statement of activities is different because from the change in fund balance reported in the statement of activities because:

The General Fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The cost of capital assts recorded in the current period is	378,970
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Depreciation expense on capital assets is reported in the government-wide financial statements, but does not require the use of current financial resources and is not reported in the fund financial statements. Current year depreciation expense is	<u>(100,773)</u>
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Change in net position - Governmental Activities	<u>\$ 27,000</u>
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See accompanying notes and independent accountants' review report.

NAPoleonVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

On April 18, 1991, the Consolidated Fire Protection District of the Assumption Parish Police Jury entered into a grant agreement with Napoleonville Volunteer Fire Department (the Fire Department). The fire protection grant was for the purpose of acquiring, maintaining, and operating buildings, machines, water tanks, water hydrants, water lines and any other things necessary to provide proper fire prevention and control of the property within the boundaries of the department. There is an annual contract renewal that becomes effective in January of each year.

The Fire Department is a privately created quasi-public corporation that is subject to the grant provisions of its funding agency. The board members are not appointed by the Police Jury. The Fire Department is not fiscally dependent on the Police Jury and the nature and significance of their relationship with the Police Jury is not such that their exclusion would render the Police Jury's financial statements incomplete or misleading. Therefore, the Fire Department is a separate special purpose government.

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

The Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards Section 2100, established criteria for determining which component units should be considered part of the Napoleonville Volunteer Fire Department for financial reporting purposes. The basis criterion for including a potential unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Department to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Department
2. Organizations for which the Fire Department does not appoint a voting majority but are fiscally dependent on the Fire Department.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Fire Department has determined that there are no component units.

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

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

Fund Accounting

The Fire Department uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The Fire Department maintains only one fund, classified as a governmental fund. The governmental fund accounts for the Fire Department's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. The governmental fund of the Fire Department is described below:

1. General Fund - the General Fund, as provided by Louisiana Revised Statute 47:1906, is the principal fund of the Fire Department and accounts for the operation of the Fire Department.

Basis of Accounting / Measurement Focus

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

Accrual Basis – Government-Wide Financial Statements (GWFS)

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

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting / Measurement Focus (continued)

Modified Accrual Basis – Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are determined and "available" means collectively within the current period or soon enough thereafter to pay liabilities of the current period. The Fire Department recognized Fire protection grant and fire insurance rebate as revenue in the year they are earned. Interest earnings on time deposits are recorded when the time deposits have matured and interest is available. All other revenues are recognized in the period in which they are received. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and the judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

In-kind Services

Contributions of noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets, or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. In-kind services of \$5,745 include 383 hours for fire, medical, and rescue response donated by volunteer firefighters.

Compliance with Louisiana Laws

The annual grant contract with the Consolidated Fire Protection District of the Assumption Parish Police Jury requires the Fire Department to comply with all state and local laws of Louisiana.

Budgets

The Fire Department adopts an annual budget for the General Fund based on anticipated revenues consistent with cash basis accounting for internal use and compliance with the annual grant contract with Assumption Parish Police Jury. Annual appropriations of funds are not made. Budgetary accounts are not integrated in the formal accounting system.

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

- A proposed budget is prepared and presented to the Board of Commissioners prior to the beginning of each fiscal year.
- The budget is approved prior to the commencement of the fiscal year for which the budget is being adopted and then submitted to Assumption Parish Police Jury.
- Budgetary amendments involving increases in expenditures resulting from revenues exceeding amounts estimated require approval from the Board of Commissioners.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets (continued)

- All budgetary appropriations lapse at the end of each fiscal year.
- Louisiana R.S. 39:1310 requires budgets to be amended when revenue collections plus projected revenue collections for the remainder of a year, within a fund, are failing to meet estimated annual budgeted revenues by five percent or more or expenditures plus projected expenditures for the remainder of the year, within a fund, are exceeding estimated budgeted expenditures by five percent or more.

The level of budgetary control is total appropriations. Budgeted amounts are as approved, or as amended by the Board of Commissioners.

Excess of Expenditures over Appropriations:

For the year ended December 31, 2020, expenditures exceeded appropriations in the General Fund by \$51,304, or approximately 12.1 percent.

Cash and Cash Equivalents

The Fire Department considers all cash accounts, money market funds, and all highly liquid deposits with a maturity of three months or less when purchased to be cash and cash equivalents.

For reporting purposes, cash and cash equivalents include demand deposit accounts and interest-bearing demand deposit accounts. Under Louisiana Revised Statutes 39:1271 and 33:2955, the Fire Department may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, and time certificates of deposit with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Capital Assets

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 40 years.

Equity

In the GWFS, equity is classified as net position and displayed in three components:

Net investment in capital assets – Consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity (continued)

Unrestricted net position – All other net position that do not meet the definitions of the first two components.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the Fire Department or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Fire Department's highest level of decision-making authority.

Assigned – represents balances that are constrained by the Fire Department's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenses are incurred for the purposes for which both restricted and unrestricted amounts are available, the Fire Department will reduce restricted amounts first, followed by unrestricted amounts. When expenses are incurred for purposes for which committed, assigned and unassigned amounts are available, the Fire Department will reduce committed amounts first, followed by assigned amounts, and then unassigned amounts.

Estimates

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

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Current Accounting Standard Scheduled to be Implemented

Following is a summary of the accounting standard adopted by the Governmental Accounting Standards Board (GASB) that is scheduled to be implemented in the future that may affect the Fire Department's report:

GASB Statement 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reported a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The Fire Department will include the requirements of this standard, as applicable, in its December 31, 2022 financial statements. All of the Fire Department's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Fire Department are unknown at this time.

NOTE B – CASH AND CASH EQUIVALENTS

At December 31, 2020, the fire department has cash and cash equivalents (book balances) totaling \$128,680 in demand deposit accounts.

These deposits are stated at cost, which approximates market. Under state laws, these deposits 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 securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank.

Custodial credit risk is the risk that in the event of a financial institution failure, the Fire Department's deposits may not be returned to them. To mitigate this risk, the state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of December 31, 2020, the Fire Department's bank balance totaled \$128,680. Of this balance, \$128,680 was insured by federal deposit insurance.

NOTE C – GRANT FROM GOVERNMENT AGENCY

For the year ended December 31, 2020, the Fire Department received a grant from the Consolidated Fire Protection District of the Assumption Parish Police Jury in the amount of \$200,253 to provide fire protection to the public within a designated area of the parish as defined in an agreement. This agreement is funded through an ad valorem tax that has been levied for the Consolidated Fire Protection District. The amount due from Assumption Parish Police Jury for this agreement is \$14,925 as of December 31, 2020.

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE D – CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2020, are as follows:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Firefighting Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
Cost of capital assets, December 31, 2019, restated	\$ 105,058	\$ 1,314,410	\$ 1,067,067	\$ -	\$ 2,486,535
Additions	-	-	7,172	371,798	378,970
Disposals	-	-	-	-	-
Cost of capital assets, December 31, 2020	105,058	1,314,410	1,074,239	371,798	2,865,505
Accumulated depreciation, December 31, 2019, restated	38,228	1,185,748	990,057	-	2,214,033
Additions	3,217	78,030	19,526	-	100,773
Disposals	-	-	-	-	-
Accumulated depreciation, December 31, 2020	41,445	1,263,778	1,009,583	-	2,314,806
Net capital assets, December 31, 2020	<u>\$ 63,613</u>	<u>\$ 50,632</u>	<u>\$ 64,656</u>	<u>\$ 371,798</u>	<u>\$ 550,699</u>

For the year ended December 31, 2020, depreciation expense was \$100,773.

NOTE E – RESTATEMENT OF PRIOR YEAR FUND BALANCE AND NET POSITION

Fund balance of the General Fund within the fund financial statements was restated as of December 31, 2019 by an increase of \$22,862. The increase to prior period fund balance was necessary to correct an over-accrual of ad valorem tax receivable reported in the prior fiscal year. Additionally, a demand deposit account was excluded from the prior year fund financial statements.

Net position of the Governmental Activities within the government-wide financial statements was restated as of December 31, 2019 by an increase of \$31,331. The increase to prior period net position was necessary to correct an over-accrual of ad valorem tax revenue, the exclusion of a demand deposit account from the statement of net position, and an understatement of the cost and accumulated depreciation of capital assets.

The net effect to fund balance for the restatement of prior year balances is as follows:

	<u>Fund Balance</u>	<u>General Fund</u>
Fund Balance, December 31, 2019, as previously reported		\$ 371,940
Adjustment for demand deposit account not previously reported		33,627
Adjustment for ad valorem tax revenues		(10,765)
Fund Balance, December 31, 2019, as restated		<u>\$ 394,802</u>

NAPoleonVILLE VOLUNTEER FIRE DEPARTMENT
Napoleonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

NOTE E – RESTATEMENT OF PRIOR YEAR FUND BALANCE AND NET POSITION (continued)

The net effect to net position for the restatement of prior year balances is as follows:

<u>Net Position</u>	Governmental Activities
Net position, December 31, 2019, as previously reported	\$ 635,973
Adjustment for demand deposit account not previously reported	33,627
Adjustment for cost of capital assets	617,354
Adjustment for accumulated depreciation	(608,885)
Adjustment for ad valorem tax revenues	(10,765)
Net position, December 31, 2019, as restated	<u>\$ 667,304</u>

NOTE F – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available to be issued, June 25, 2021, and determined that no events occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
NAPOLEONVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Budget to GAAP Differences</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variance with Final Budget and Actual Budgetary Basis Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>				
<u>REVENUES</u>						
Intergovernmental:						
Fire protection grant	\$ 165,000	\$ 179,516	\$ 157,875	(1) \$ 42,378	\$ 200,253	\$ (21,641)
Fire insurance rebate	17,000	17,480	17,480	-	17,480	-
In-kind services	-	-	-	(2) 5,745	5,745	-
Other donations	-	-	1,850	-	1,850	1,850
Miscellaneous	300	150	300	-	300	150
Interest	-	-	88	-	88	88
Total revenues	<u>182,300</u>	<u>197,146</u>	<u>177,593</u>	<u>48,123</u>	<u>225,716</u>	<u>(19,553)</u>
<u>EXPENDITURES</u>						
Current:						
Public safety	61,974	123,609	49,820	(3) 48,123	97,943	73,789
Capital outlay	400,000	302,000	378,970	-	378,970	(76,970)
Total expenditures	<u>461,974</u>	<u>425,609</u>	<u>428,790</u>	<u>48,123</u>	<u>476,913</u>	<u>(3,181)</u>
<u>EXCESS OF EXPENDITURES</u>						
<u>OVER REVENUES</u>	<u>(279,674)</u>	<u>(228,463)</u>	<u>(251,197)</u>	<u>-</u>	<u>(251,197)</u>	<u>(22,734)</u>
Fund balance - beginning of year, as restated	<u>-</u>	<u>-</u>	<u>394,802</u>	<u>-</u>	<u>394,802</u>	<u>394,802</u>
Fund balance - end of year	<u><u>\$(279,674)</u></u>	<u><u>\$(228,463)</u></u>	<u><u>\$ 143,605</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 143,605</u></u>	<u><u>\$ 372,068</u></u>

Explanation of differences:

The net effect in excess expenditures over revenues is as follows:

(1) The Fire Department does not budget for revenues that result from expenditures that are paid on their behalf by the Consolidated Fire Protection District of the Assumption Parish Police Jury	
Increase in fire protection grant revenue for expenditures paid on behalf of the Fire Department	\$ 42,378
(2) The Fire Department does not budget for in-kind service donations as they are noncash donations and expenditures	
Increase in in-kind services revenue	5,745
(3) The Fire department does not budget for expenditures that are paid on their behalf by the Consolidated Fire Protection District of the Assumption Parish Police Jury nor do they budget for in-kind service expenditures as they are noncash expenditures	
Increase in public safety expenditures for on behalf payments and in-kind services	(48,123)
	<u><u>\$ -</u></u>

OTHER SUPPLEMENTARY INFORMATION

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT
NAPOLEONVILLE, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2020

President: Gerald Richard

Purpose	2020 Amount
Salary	\$ -
Benefits	-
Travel	-
Reimbursements	-
	<hr/> \$ - <hr/>

Note: The president is a volunteer.

OTHER SUPPLEMENTARY INFORMATION REQUIRED BY
THE LOUISIANA LEGISLATIVE AUDITOR

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of
Napoleonville Volunteer Fire Department
Napoleonville, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Napoleonville Volunteer Fire Department, the Louisiana Legislative Auditor, and applicable state grantor agencies solely to assist the users in evaluating management's assertions about the Fire Department's compliance with certain laws and regulations during the year ended December 31, 2020, included in the accompanying *Louisiana Attestation Questionnaire*, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Fire Department 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 users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year from the Fire Department's management.

The Fire Department received a grant from Assumption Parish Police Jury. The expenditures for the fire Department were paid using funds from this grant.

2. For each federal, state, and local grant award, randomly select six disbursements from each award administered during the fiscal year, provided that no more than 30 disbursements are selected.

We selected 6 disbursements, according to the procedure above, for the fiscal year. All disbursements were selected from the Assumption Parish Police Jury grant for testing.

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

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

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

Three of the six disbursements that were selected were not coded to the correct general ledger account.

5. Report whether the selected disbursements were approved in accordance with the Fire Department's policies and procedures.

Each of the selected disbursements were properly approved in accordance with the Fire Department's policies and procedures.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirement or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Not applicable.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Fire Department's financial records; and report whether the amounts in the close-out reports agree with the Fire Department's records.

No close-out requirements were indicated upon our review of the grant award.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posed as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.

The Fire Department is only required to post meeting announcement and agendas on the fire station door. The Fire Department management represented that publications and agendas were posted on the door of the fire station for each meeting during the fiscal year.

Budget

9. For each grants exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state, or local grantor agency. Report whether budgets for federal, state, and local grants included the purpose and duration of the grants; and whether the budgets for state grants also included specific goals, objectives, and measures of performance.

The Fire Department must submit an annual budget to Assumption Parish Police Jury in order to receive the ad valorem tax proceeds allocated to the Fire Department. An annual budget was submitted as required.

State Audit Law

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

The Fire Department's report will be submitted to the Legislative Auditor before the statutory due date of June 30, 2021.

11. 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).

The Fire Department's management represented that the Fire Department did not enter into any contracts during the year that utilized state funds or were subject to the public bid law.

Prior Comments and Recommendations

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

There were no prior year suggestions, recommendations, or comments for the year ended December 31, 2019.

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 the *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 Department's compliance with 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 solely to describe the scope of testing performed on the Fire Department's compliance with certain laws and regulations 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.



Donaldsonville, Louisiana
June 25, 2021

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

May 10, 2021 (Date Transmitted)

Postlethwaite & Netterville, APAC (CPA Firm Name)
P.O. Box 1190 (CPA Firm Address)
Donaldsonville, LA 70346 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2020 (date) 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.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes [☒] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes [☒] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [☒] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [☒] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes [☒] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [☒] No []

Reporting

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

Yes [☒] No []

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

Yes [☒] No []

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

Yes [☒] No []

Prior-Year Comments

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

Yes [☒] No []

General

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

Yes [☒] No []

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

Yes [☒] No []

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

Yes [☒] No []

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

Yes [☒] No []

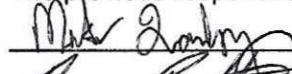


We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period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

Yes [☒] No []

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

Yes [☒] No []

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

	Secretary	5/6/2021	Date
	Treasurer	5/6/2021	Date
	President	5/6/2021	Date



215 Saint Patrick St. – Donaldsonville, LA 70346
225-473-4179 Phone – 225-473-7204 Fax – pncpa.com

A Professional Accounting Corporation

To the Board of Commissioners of
Napoleonville Volunteer Fire Department
Napoleonville, Louisiana

We have reviewed the financial statements of Napoleonville Volunteer Fire Department (the Fire Department), a not-for-profit organization, as of and for the year ended December 31, 2020, in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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.

During our review of the Fire Department's financial statements as of and for the year ended December 31, 2020, we became aware of the following matter that represents an opportunity for improving financial reporting and/or refining policies and procedures, including those that help ensure compliance with third party agreements. The following paragraph summarizes our comments and suggestions regarding this matter. This letter does not affect our review report dated June 25, 2021 on the financial statements of the Fire Department.

Louisiana Government Budget Act

Comments: Under its grant contract with the Consolidated Fire Protection District of the Assumption Parish Police Jury, the Fire Department is required to comply with all state and local laws of Louisiana. Internal controls should be designed to ensure proper compliance with state and local laws of Louisiana, including the Louisiana Government Budget Act. Louisiana R.S. 39:1311 provides that a political subdivision is required to amend its expenditure budget for a special revenue fund or general fund whenever there is a 5% variance in budgeted revenue or expenditures as compared to actual results. The Fire Department's actual revenues fell short of the budgeted revenues by more than 5% for the year ended December 31, 2020; therefore, the Fire Department violated Louisiana R.S. 39:1311.

Recommendations: The Fire Department should ensure procedures are in place to monitor budget-to-actual comparisons to ensure compliance with Louisiana R.S. 39:1311.

Management's Response: Management of the Fire Department will implement procedures to monitor budget-to-actual comparisons to ensure compliance with Louisiana R.S. 39:1311.

This communication is intended solely for the information and use of management, and others within the Company, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 25, 2021