

**FIRE PROTECTION DISTRICT NO. 11
OF THE PARISH OF ST. MARY**

Jeanerette, Louisiana

Financial Report

Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1 - 2
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of net position	5
Statement of activities	6
Fund Financial Statements	
Governmental fund	
Balance sheet	8 - 9
Statement of revenues, expenditures, and changes in fund balance	10 - 11
Notes to basic financial statements	12 - 21
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund:	
Budgetary comparison schedule	23
Note to budgetary comparison schedule	24
REQUIREMENTS OF THE <i>LOUISIANA GOVERNMENTAL AUDIT GUIDE</i>	
Independent accountant's report on applying agreed-upon procedures	26-29
Schedule of findings	30-31
Summary schedule of prior findings	32
Management's corrective action plan for current findings	33
Louisiana attestation questionnaire	Exhibit A

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA – retired 2022

* A Professional Accounting Corporation

P. O. Box 3438
Morgan City, LA 70381

Phone (985) 384-2020
Fax (985) 384-3020

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Commissioners
Fire Protection District No. 11 of the Parish of St. Mary
Jeanerette, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of Fire Protection District No. 11 of the Parish of St. Mary (hereinafter "District"), a component unit of the Parish of St. Mary, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the District. 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 financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

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

Accountant's Conclusion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require budgetary comparison information 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. The budgetary comparison schedule on pages 23 and 24 is the responsibility of management. The schedule was not audited or reviewed, and we do not express an opinion, a conclusion, nor provide any assurance on it.

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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
March 29, 2022

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Statement of Net Position
September 30, 2021

	Governmental Activities
ASSETS	
Current assets	
Cash and cash equivalents	\$ 77,669
Investments	305,986
Prepaid insurance	22,174
Other	1,182
Total current assets	407,011
Noncurrent assets	
Capital assets:	
Land and construction in progress	26,737
Other, net of accumulated depreciation	210,559
Net capital assets	237,296
Total assets	644,307
LIABILITIES	
Current liabilities	
Accounts payable	4,223
Accrued expenses	9,660
Total current liabilities	13,883
NET POSITION	
Net investment in capital assets	237,296
Unrestricted	393,128
Total net position	\$ 630,424

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Statement of Activities
Year Ended September 30, 2021

<u>Function/Program</u>	Net (Expense) Revenue and Changes in <u>Net Position</u>
Governmental activities	
Public safety	<u>\$ (414,653)</u>
General revenues	
Ad valorem taxes	319,056
Intergovernmental	28,451
Insurance Proceeds	28,914
Miscellaneous	<u>211</u>
Total general revenues	<u>376,632</u>
Change in net position	<u>(38,021)</u>
Net position - October 1, 2020	<u>668,445</u>
Net position - September 30, 2021	<u>\$ 630,424</u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Balance Sheet
Governmental Fund
September 30, 2021

	<u>General</u>
ASSETS	
Cash and cash equivalents	\$ 77,669
Investments	305,986
Prepaid insurance	22,174
Other	<u>1,182</u>
Total assets	<u>\$ 407,011</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 4,223
Accrued expenses	<u>9,660</u>
Total liabilities	<u>13,883</u>
Fund balance	
Nonspendable	22,174
Unassigned	<u>370,954</u>
Total fund balance	<u>393,128</u>
Total liabilities and fund balance	<u>\$ 407,011</u>

(continued)

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Balance Sheet (continued)
Governmental Fund
September 30, 2021

Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Position

Total fund balance for governmental fund at September 30, 2021	\$ 393,128
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets, net of accumulated depreciation	<u>237,296</u>
Net position at September 30, 2021	<u><u>\$ 630,424</u></u>

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
Year Ended September 30, 2021

	General
Revenues	
Ad valorem taxes	\$ 319,056
Intergovernmental -	
Allocation from St. Mary Parish	28,451
Investment earnings	211
Total revenues	347,718
Expenditures	
Current - Public safety	
Repairs and maintenance	62,489
Professional fees	19,085
Salaries and related expenses	122,581
Insurance	43,340
Utilities and telephone	10,650
Gas, fuel and oil	9,261
Supplies	5,097
Training	1,038
Other	43,045
Capital outlay	6,340
Total expenditures	322,926
Excess of revenues over expenditures	24,792
Other financing sources	
Insurance proceeds	28,914
Net change in fund balance	53,706
Fund balance, beginning	339,422
Fund balance, ending	\$ 393,128

(continued)

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Governmental Fund
Year Ended September 30, 2021

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
of Governmental Funds to the Statement of Activities

Net change in fund balance for the year ended September 30, 2021 per the statement of revenues, expenditures and changes in fund balance	\$ 53,706
The change in net position reported for governmental activities in the statement of activities is different because:	
Cost of capital assets	6,340
Depreciation expense	<u>(98,067)</u>
Total change in net position for the year ended September 30, 2021 per the statement of activities	<u>\$ (38,021)</u>

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements

INTRODUCTION

Fire Protection District No. 11 of the Parish of St. Mary (the “District”), was created by Ordinance No. 1096 of the St. Mary Parish Council on April 25, 1990 for the purpose of providing fire protection, medical assistance, and extrication rescue. The District encompasses all territory north of the Intracoastal Waterway in Wards One and Two. The District’s firefighters are volunteers of the St. Mary Parish Fire Protection District No. 11 Volunteer Fire Department.

The accompanying financial statements of the 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. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513, and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the audit and accounting guide, *Audits of State and Local Governmental Units*.

(1) Summary of Significant Accounting Policies

A. Financial Reporting Entity

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

Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended, established criteria for determining which component units should be considered part of the St. Mary Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criterion includes:

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

Because the St. Mary Parish Council appoints the governing body and has the ability to significantly impose its will, the District is a component unit of the St. Mary Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish council, the

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

The accompanying financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in the accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

The statement of activities presents a comparison between direct expenses and program revenues for 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 of services offered by the District, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions relating to certain government functions or activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District or its total assets, liabilities, revenues, or expenditures or of the individual governmental fund is at least ten (10) percent of the corresponding total for all governmental funds.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

The general fund of the District is considered to be a major fund and is described below:

Governmental Fund –

General Fund – This fund is the primary operating fund of the District and it accounts for the operations of the District. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws according to District policy.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

In the fund financial statements, governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

D. Assets, Liabilities, and Net Position/Fund Balance

Cash

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits.

Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Investments

State statutes authorize the District to 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. Local governments in Louisiana are also authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments meeting the criteria specified in the Statement are stated at fair value. Investments that do not meet the requirements are stated at cost. These investments include amounts invested in the Louisiana Asset Management Pool (LAMP).

Prepaid Items

Insurance payments made to insurance agencies that will benefit periods beyond the current period are recorded as prepaid items.

Capital Assets

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 the donation. The District maintains a threshold level of \$1,000 or more for capitalizing assets.

Capital assets are recorded in the statement of net position and statement of activities. 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.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	15-25 years
Fire Trucks	15 years
Equipment	5-10 years

Equity Classifications

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional, provisional or enabling legislation.
- c. Unrestricted – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental equity is classified as fund balance. Fund balance is further classified in accordance with GASB Statement 54 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 action of the Board of Commissioners. The Board of Commissioners is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Commission members.
- 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.
- e. Unassigned – All other spendable amounts.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers the 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 members of the Board of Commissioners have provided otherwise in its commitment or assignment actions.

E. Use of Estimates

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

(2) Cash and Cash Equivalents

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 certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At September 30, 2021, the District had \$77,669 in cash and cash equivalents (book balances) in an interest-bearing demand deposit checking account.

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.

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 the District will not be able to recover collateral securities that are in the possession of an outside party. The District does not have a policy to monitor or attempt to reduce exposure to custodial credit risk. At September 30, 2021, the District has \$84,268 in deposits (collected bank balances). These deposits are entirely secured from risk by federal deposit insurance and are, therefore, not exposed to custodial credit risk.

(3) Investments

Investments held at September 30, 2021 consist of \$305,986 in the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, requires the disclosure of credit risk, custodial credit risk, concentration of credit risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

Credit risk – LAMP is rated AAAM by Standard & Poor’s.

Custodial credit risk – LAMP participants’ investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized, because they are not evidenced by securities that exist in physical or book-entry form. The public entity’s investment is with the pool, not with the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk – pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk – 2a7-like investment pools are excluded from this disclosure requirement, per paragraph 15 of GASB Statement No. 40.

Foreign currency risk – not applicable to 2a7-like investment pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair market value of investments is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Fair Value Measurements

To the extent available, The District’s investments are recorded at fair value as of September 30, 2021. GASB Statement No. 72, *Fair Value Measurements and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The District measures and records its investments using fair value guidelines established by GASB 72, which recognizes a three-tiered fair value hierarchy as follows:

- Level 1 – quoted prices for identical investments in active markets
- Level 2 – observable inputs other than quoted market prices
- Level 3 – unobservable inputs

The District’s investments in LAMP are measured using observable inputs other than quoted market prices (Level 2 inputs). The investments in LAMP are valued using quoted market prices of the

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

underlying investment of LAMP on a weekly basis and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

(4) Ad Valorem Taxes

The District's ad valorem tax is levied in October of each year on the assessed value of property within the District's taxing area. Taxes are due and payable by December 31 and an enforcement lien attaches to the property on January 1. The taxes are collected on behalf of the District by the St. Mary Parish Sheriff and then remitted to the District. Most of the taxes are actually received in January and February.

For the year ended September 30, 2021, taxes of 12.81 mills were levied on property with assessed valuations totaling \$25,286,730.

Total taxes levied were \$323,922. There were no taxes receivable at September 30, 2021.

(5) Capital Assets

Capital assets and depreciation activity for the year ended September 30, 2021 follows:

	Balance 10/1/2020	Additions	Deletions	Balance 9/30/2021
Capital assets not being depreciated:				
Land	\$ 26,737	\$ -	\$ -	\$ 26,737
Other capital assets:				
Buildings	142,000	-	-	142,000
Improvements	43,965	-	-	43,965
Fire trucks	1,477,132	-	-	1,477,132
Equipment	<u>725,433</u>	<u>6,340</u>	<u>(4,872)</u>	<u>726,901</u>
Total capital assets being depreciated	<u>2,388,530</u>	<u>6,340</u>	<u>(4,872)</u>	<u>2,389,998</u>
Accumulated depreciation				
Buildings	(137,590)	(1,037)	-	(138,627)
Improvements	(25,147)	(3,321)	-	(28,468)
Fire trucks	(1,262,487)	(56,831)	-	(1,319,318)
Equipment	<u>(661,020)</u>	<u>(36,878)</u>	<u>4,872</u>	<u>(693,026)</u>
Total accumulated depreciation	<u>(2,086,244)</u>	<u>(98,067)</u>	<u>4,872</u>	<u>(2,179,439)</u>
Total capital assets being depreciated, net	<u>302,286</u>	<u>(91,727)</u>	<u>-</u>	<u>210,559</u>
Total capital assets, net	<u>\$ 329,023</u>	<u>\$ (91,727)</u>	<u>\$ -</u>	<u>\$ 237,296</u>

Depreciation totaling \$98,067 was charged to public safety.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

(6) Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on the fund balance for the District's major governmental fund is presented as follows:

Fund balance	
Nonspendable for -	
Prepaid expenditures	\$ 22,174
Unassigned	<u>370,954</u>
Total fund balance	<u>\$ 393,128</u>

(7) Related Parties

The District is a related party of the St. Mary Parish Council, the primary government. During the year ended September 30, 2021, the District received allocations from the Parish totaling \$28,451.

(8) Concentrations

Ad valorem taxes comprise the majority of the District's revenues. Ad valorem taxes collected during the year ended September 30, 2021 accounted for approximately 92% of total revenues.

(9) Risk Management

The District is exposed to various risks of loss related to torts, theft, or damage to assets, errors and omissions, injuries to employees and natural disasters. The District has purchased commercial insurance to protect against loss from substantially all of these perils. There were no significant changes in coverages, retentions, or limits during the year ended September 30, 2021. Settled claims have not exceeded the commercial coverages in any of the previous three fiscal years.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Notes to Basic Financial Statements (continued)

(10) Compensation Paid to Commissioners

The District's commissioners received the following per diem for the year ended September 30, 2021:

<u>Name</u>	<u>Amount</u>
Ronald Chillis	\$ 480
Shirley Purvey	420
Rickey Paul Bourque	240
Linda Lockett	510
Russell Viator	210
Total	<u>\$ 1,860</u>

Act 706 of the 2014 Legislative Session amended RS 24:513A requiring additional disclosure of total compensation, reimbursements, benefits, or other payments made to an agency head or chief officer. With the exception of per diem, no other payments which would require disclosure were made to the District's chief officer. For the year ended September 30, 2021, the District's chief officer, Ronald Chillis, received \$480 in per diem payments.

REQUIRED SUPPLEMENTARY INFORMATION

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Budgetary Comparison Schedule
General Fund
Year Ended September 30, 2021

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Ad valorem taxes	\$ 278,000	\$ 308,489	\$ 319,056	\$ 10,567
Intergovernmental	30,984	28,451	28,451	-
Other income	1,500	6,229	-	(6,229)
Investment earnings	2,130	211	211	-
Total revenues	312,614	343,380	347,718	4,338
Expenditures				
Current - Public safety				
Repairs and maintenance	51,500	57,147	62,489	(5,342)
Professional fees	19,000	19,170	19,085	85
Salaries and related expenses	124,400	119,684	122,581	(2,897)
Insurance	42,000	48,250	43,340	4,910
Utilities and telephone	10,000	8,950	10,650	(1,700)
Gas, fuel, oil	13,000	9,261	9,261	-
Supplies	5,000	3,018	5,097	(2,079)
Training	1,500	1,038	1,038	-
Other	8,800	14,087	43,045	(28,958)
Capital outlay	4,100	9,113	6,340	2,773
Debt Service	33,314	33,314	-	33,314
Total expenditures	312,614	323,032	322,926	106
Excess of revenues over expenditures	-	20,348	24,792	4,232
Other financing source				
Insurance Proceeds	-	-	28,914	(28,914)
Net change in fund balance	-	20,348	53,706	(24,682)
Fund balance, beginning	339,422	339,422	339,422	-
Fund balance, ending	\$ 339,422	\$ 359,770	\$ 393,128	\$ (24,682)

See independent accountant's review report on required supplementary information.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Note to Budgetary Comparison Schedule

(1) Budgetary Practices

The District prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally adopted or as finally amended by the District.

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

1. The Chief prepares a proposed budget and submits it to the Board of Commissioners for approval.
2. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in the expenditures resulting from revenue exceeding amounts estimated require the approval of the Board of Commissioners.
3. All budgetary appropriations lapse at the end of each fiscal year.

REQUIREMENTS OF THE *LOUISIANA GOVERNMENTAL AUDIT GUIDE*

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

C. Burton Kolder, CPA*
Of Counsel

Victor R. Slaven, CPA* - retired 2020
Christine C. Doucet, CPA – retired 2022

* A Professional Accounting Corporation

P. O. Box 3438
Morgan City, LA 70381

Phone (985) 384-2020
Fax (985) 384-3020

183 S. Beadle Rd.
Lafayette, LA 70508
Phone (337) 232-4141

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

WWW.KCSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the Board of Commissioners
Fire Protection District No. 11 of the Parish of St. Mary, and
Louisiana legislative Auditor

We have performed the procedures enumerated below on the compliance of Fire Protection District No. 11 of the Parish of St. Mary (hereinafter "District") with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire (Exhibit A) during the year ended September 30, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is performing specified procedures on the District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire and reporting on exceptions based upon procedures performed. Additionally, the Louisiana Legislative Auditor (LLA) has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated exceptions, if any, are as follows:

Public Bid Law

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

No expenditures for materials and supplies were made during the year that exceeded \$30,000, nor were there any expenditures for public works made during the year that exceeded \$250,000.

Code of Ethics for Public Officials and Public Employees

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

Management provided us with immediate family members for each of the board members.

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

Management provided us with the requested list.

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

None of the employees included on the list of employees provided by management [agreed upon procedure (3)] appeared on the list provided by management in agreed-upon procedures (2).

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

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

Budgeting

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

Management provided us with a copy of the original budget and related amendments.

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

Adoption of original budget traced to documentation in the minutes of the meeting of the Board of Commissioners held on September 3, 2020. Adoption of amended budget traced to minutes of meeting held on September 23, 2021.

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

Actual revenues did not fail to meet budgeted amounts by five percent (5%) or more. Expenditures did not exceed budgeted amounts by five percent (5%) or more.

Accounting and Reporting

9. Obtain a list of all disbursements made during the fiscal year. Randomly select six (6) disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

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

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

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

The selected disbursements were properly coded to the correct fund and general ledger account.

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

The District's policies and procedures require the approval of all disbursements by the Board of Commissioners. The selected disbursements were approved in accordance with the District's policies and procedures.

Meetings

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

The District provided agendas and minutes to monthly meetings. Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Although management has asserted that such documents were properly posted, no evidence was provided to support management's assertion other than an unmarked copy of the notices and agendas.

Debt

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

We obtained and inspected copies of all bank deposit slips for the year ended September 30, 2021 and observed no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

We observed no payments or approval of payments indicative of bonuses, advances, or gifts.

State Audit Law

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

The District provided for a timely report in accordance with R.S. 24:513.

14. Inquire of management and report whether the District 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 District was not in compliance with R.S. 24:513 (the audit law).

The District did not enter into any contracts utilizing state funds as defined in R.S. 39:72.1 A. (2) during the current fiscal year that were subject to public bid law (R.S. 38:2211, et seq.), while not complying with R.S. 24:513 (the audit law).

Prior Comments and Recommendations

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

Our prior year report, dated March 26, 2021, did not include any suggestions, exceptions, recommendations, or comments with regard to the foregoing agreed upon procedures.

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
March 29, 2022

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Schedule of Findings
Year Ended September 30, 2021

Findings reported in accordance with *Government Auditing Standards*

A. Internal Control Findings –

2021-001 - Segregation of Duties

Year Initially Occurring: Unknown.

CONDITION: Accounting and financial functions are not adequately segregated.

CRITERIA: Internal control is a process – effected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The District’s internal control over financial reporting includes those policies and procedures that pertain to the District’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements.

CAUSE: The cause of the condition is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Schedule of Findings (continued)
Year Ended September 30, 2021

2021-002 - Financial Reporting (Application of Generally Accepted Accounting Principles)

Year Initially Occurring: Unknown.

CONDITION: The District lacks adequate staff and the expertise to prepare financial statements in accordance with U.S. generally accepted accounting principles (GAAP), as applicable to governmental entities.

CRITERIA: The District's internal control over financial reporting includes those policies and procedures that pertain to its ability to record, process, summarize, and report financial data consistent with the assertions embodied in the financial statements and to apply GAAP in the preparation of those financial statements and related disclosures.

CAUSE: The condition results from the relatively small size of the District and the increased costs of hiring personnel to prepare GAAP-based financial statements.

EFFECT: GAAP-based financial statements, as applicable to governmental entities, are not prepared by the District.

RECOMMENDATION: Management should evaluate the additional costs required to achieve the desired benefit and determine if it is economically feasible in relation to the benefit received.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Summary Schedule of Prior Findings
Year Ended September 30, 2021

A. Internal Control –

2020-001 - Inadequate Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

CURRENT STATUS: See schedule of findings, item 2021-001.

2020-002 - Financial Reporting (Application of Generally Accepted Accounting Principles)

CONDITION: The Commission lacks adequate staff and the expertise to prepare financial statements in accordance with U.S. generally accepted accounting principles (GAAP), as applicable to governmental entities.

CURRENT STATUS: See schedule of findings, item 2021-002.

B. Compliance –

No findings were reported under this section.

FIRE PROTECTION DISTRICT NO. 11 OF THE PARISH OF ST. MARY
Jeanerette, Louisiana

Management's Corrective Action Plan for Current Findings
Year Ended September 30, 2021

2021-001 - Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

MANAGEMENT'S RESPONSE: The District acknowledges the inadequate segregation of duties condition. However, the District's management is of the opinion that the cost to hire additional personnel to achieve complete segregation of duties would outweigh the benefits achieved by the segregation of accounting and financial functions

2021-002 - Financial Reporting

CONDITION: The Commission lacks adequate staff and the expertise to prepare financial statements in accordance with U.S. generally accepted accounting principles (GAAP), as applicable to governmental entities.

MANAGEMENT'S RESPONSE: The Board of Commissioners continues to evaluate the cost-benefit of outsourcing the preparation of the Commission's financial statements to its independent auditors rather than incur the costs to employ someone to prepare GAAP-based financial statements and have determined that it would be more cost effective to outsource the preparation of the Commission's financial statements. We will review the financial statements, notes, and any supplementary information prior to accepting responsibility for their presentation and content.

LOUISIANA ATTESTATION QUESTIONNAIRE

Exhibit

Fire Protection District No. 11 of the Parish of St. Mary
Louisiana Attestation Questionnaire
Year Ended September 30, 2021

Kolder, Slaven & Company, LLC, CPAs
Post Office Box 3438
Morgan City, Louisiana

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below and for the year then ended September 30, 2021, and as required by Louisiana Revised Statute (R.S.) 24:513 and *the Louisiana Governmental Audit Guide*, we make the following representations to you:

Public Bid Law

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

Yes No [] N/A []

Code of Ethics for Public Officials and Public Employees

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

Yes No [] N/A []

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

Yes No [] N/A []

Budgeting

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

Yes No [] N/A []

Accounting and Reporting

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.
Yes No [] N/A []

Debt

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

Yes No [] N/A []

Advances and Bonuses

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

Yes No [] N/A []

Prior-Year Comments

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

Yes No [] N/A []

General

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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

Yes No [] N/A []

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.

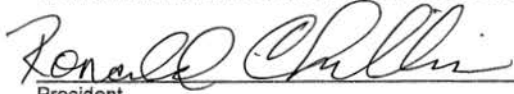
Yes No [] N/A []

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 [] N/A []

Louisiana Attestation Questionnaire
Page 3

The previous representations have been made to the best of our belief and knowledge and are based on the information available to us as of the date subscribed below.



President



Date