

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE**

LIVONIA & FORDOCHE, LOUISIANA

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2021

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OF THE PARISH OF POINTE COUPEE, LOUISIANA
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INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana, (the "District"), a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana, as of and for the year ended December 31, 2021, and the respective changes in financial position for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fire Protection District No. 4 of the Parish of Pointe Coupee and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana's ability to continue as a going

INDEPENDENT AUDITOR'S REPORT (continued)

concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 29 through 30 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained

during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Taxable Property Valuations and Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Taxable Property Valuations and Schedule of Compensation, Benefits, and Other Payments to Agency Head are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2022 on our consideration of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Barley & Associates, LLP

Plaquemine, Louisiana
June 22, 2022

MANAGEMENT'S DISUSSION AND ANALYSIS

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021**

As management of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana, we are pleased to provide an overview of our financial activities for the year ended December 31, 2021. The intended purpose of the Management's Discussion and Analysis (MD&A) is to provide an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions. The MD&A provides an easily readable summary of operating results and reasons for changes that will help to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities, the sources, uses, and changes in resources, adherence to budget, service levels, limitations, significant economic factors, and the status of infrastructure and its effects on our debt and operation. When referring to prior year data in this analysis, we will be drawing upon information from last year's audited financial report.

FINANCIAL HIGHLIGHTS

- The District's net position increased by \$164,070 from \$3,195,310 in 2020 to \$3,359,380 in 2021.
- Ad valorem taxes decreased from \$950,370 in 2020 to \$829,677 in 2021.
- Revenues from the quarter cent sales tax increased by \$14,064 from \$195,697 in 2020 to \$209,761 in 2021.
- Cash and cash equivalents increased by \$439,490 for the year ended December 31, 2021.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements which are comprised of four components: (1) government-wide financial statements, (2) fund financial statements, (3) notes to the financial statements, and (4) other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements, presented on pages 11 and 12, are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The District's Government-Wide Financial Statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The District's sole operation of fire protection is classified as governmental activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one fund which is categorized as a governmental fund.

Governmental funds, presented on pages 13 through 15, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget. A budgetary comparison schedule has been provided for the District's operations.

Notes to the Financial Statements

The notes, presented on pages 16 through 28, provide additional narrative and tabular information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

In addition to the basic financial statements and accompanying notes, the report also presents certain required supplementary information concerning the District's budgetary control, on page 30. A tabulation of taxable property is presented on page 32 as supplementary information to assist the reader in understanding the economic growth of the District and the effect it has on operations and fire protection ratings.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. At the end of the most recent year, the assets of the District exceeded its liabilities by \$3,359,380.

The District's net position is mainly composed of \$1,267,533 net invested in capital assets (land, buildings, vehicles and equipment, etc.). The District uses these capital assets to provide fire protection services to residents and businesses that encompass the area from the parish line at west Baton Rouge to the middle of the Atchafalaya River at the St. Landry Parish Line from the Iberville Parish line near north Maringouin along Highway 77 to Highway 10 and along Highway 78 to the BP Amoco Plant. Protection is also provided inside the corporate limits of the Town of Livonia and the Village of Fordoche. Consequently, these assets are not available for future spending.

Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net position, \$2,091,847, may be used to meet the District's future operations.

SUMMARY OF NET POSITION

	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 2,148,840	\$ 1,842,720
Capital assets	1,267,533	1,404,988
Total assets	<u>3,416,373</u>	<u>3,247,708</u>
Current and other liabilities	56,993	52,398
Noncurrent liabilities	-	-
Total liabilities	<u>56,993</u>	<u>52,398</u>
Net position -		
Net invested in capital assets	1,267,533	1,404,988
Unrestricted	2,091,847	1,790,322
Total net position	<u>3,359,380</u>	<u>3,195,310</u>

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The District's total revenues decreased by \$184,878 from \$1,253,123 in 2020 to \$1,068,245 in 2021.

Total expenses decreased by \$170,617 from \$1,074,792 in 2020 to \$904,175 in 2021. This is due to no debt service obligations due to payoff of in 2020 and decreases in salaries, supplies and small tools, and vehicle maintenance in 2021. From the proceeds of the revenues, the District spent \$340,503 on salaries for part time-time firemen to man the fire stations for the protection of the District.

Changes in Net Position		
	Governmental Activities	
	2020	2020
Revenues:		
Taxes	\$ 1,039,438	\$ 1,146,067
Intergovernmental revenues	22,649	22,851
Interest income and other revenue	6,158	84,205
Total Revenues	1,068,245	1,253,123
Expenses:		
Operating	703,789	834,899
Depreciation	200,386	239,893
Total Expenses	904,175	1,074,792
Change in Net Position	164,070	178,331
Beginning Net Position	3,195,310	3,016,979
Ending Net Position	\$ 3,359,380	\$ 3,195,310

GOVERNMENTAL FUND FINANCIAL ANALYSIS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

The net position of the District increased by \$164,070 during the current year.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

BUDGETARY HIGHLIGHTS

The District's annual budget is the legally adopted expenditure control document of the District. A budgetary comparison statement is required and can be found on page 30. This statement compares the original adopted budget, the budget if amended throughout the year, and the actual expenditures prepared on a budgetary basis.

Actual revenues of \$1,068,245 exceeded budgeted revenues of \$932,100 by \$136,145, while actual expenditures of \$766,720 was less than budgeted expenditures of \$931,100 by \$164,380.

CAPITAL ASSETS

At December 31, 2021 and 2020, the District had \$1,267,533 and \$1,404,988, respectively, invested in a broad range of capital assets, including land, construction in progress, buildings, vehicles, and equipment. Further detail on capital assets is presented in Note C on page 23-24.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District serves a population estimated at over 4,500 and two incorporated areas – Fordoche and Livonia. With the passage of a .25% sales tax in 2007, the District has attained a PIAL-in Rating of 3 and a PIAL-Out Rating of 4. The attainment of these low ratings brings increased operating costs and new requirements mandated by the State Fire Marshall. These items made it necessary for management to consider these factors in making future budget projections. Consequently, management has projected budget operations to December 31, 2021. Long range projections assist management in evaluating net acquisitions or replacements to keep the fire insurance rating at a level that will return fire protection and an economic benefit to its taxpayers.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. If you have questions about this report or need additional financial information, contact Renee Cashio, Secretary of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana at (225) 637-3834.

BASIC FINANCIAL STATEMENTS

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 1,274,728
Receivables:	
Ad valorem taxes	827,255
Sales taxes	18,469
State revenue sharing	4,510
Prepaid expense	3,153
Prepaid insurance	20,725
Capital assets (non-depreciable):	
Land	131,000
Construction in progress	51,534
Capital assets (net of accumulated depreciation):	
Buildings	339,692
Firefighting equipment and tools	45,000
Fire hydrants and water supply lines	27,046
Radios and paging equipment	16,284
Vehicles	536,386
Medical equipment	108,714
Health and wellness equipment	5,426
Furniture, fixtures, and equipment	6,451
TOTAL ASSETS	<u>\$ 3,416,373</u>
LIABILITIES	
Accounts payable	\$ 17,905
Accrued wages payable	4,979
Deduction from ad valorem taxes	34,109
TOTAL LIABILITIES	<u>56,993</u>
NET POSITION	
Net invested in capital assets	1,267,533
Unrestricted	2,091,847
TOTAL NET POSITION	<u>\$ 3,359,380</u>

The accompanying notes are an integral part of this statement.

FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF ACTIVITIES
DECEMBER 31, 2021

	Program Revenues			Net Governmental Activities
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Public safety	\$ 904,175	-	-	\$ (904,175)
Total Governmental Activities	<u>\$ 904,175</u>	<u>-</u>	<u>-</u>	<u>(904,175)</u>

General Revenues:

Taxes:	
Ad valorem taxes	829,677
Sales taxes	209,761
General intergovernmental revenues	22,649
Interest earnings	2,834
Other	<u>3,324</u>
Total General Revenues	<u>1,068,245</u>
Change in Net Position	164,070
Net Position at the Beginning of Year	<u>3,195,310</u>
Net Position at End of Year	<u>\$ 3,359,380</u>

The accompanying notes are an integral part of this statement.

FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND - GENERAL FUND
DECEMBER 31, 2021

	General Fund
ASSETS	
Cash and cash equivalents	\$ 1,274,728
Receivables:	
Ad valorem taxes	827,255
Sales taxes	18,469
State revenue sharing	4,510
Prepaid expenses	3,153
Prepaid insurance	20,725
TOTAL ASSETS	\$ 2,148,840
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 17,905
Accrued wages payable	4,979
Deduction from ad valorem taxes	34,109
Total Liabilities	56,993
Fund Balance:	
Nonspendable: prepaid	23,877
Unassigned	2,067,970
Total Fund Balances - Governmental Fund	2,091,847
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	1,267,533
Net position of governmental activities	\$ 3,359,380

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

REVENUES

Taxes -		
Ad valorem taxes	\$	829,677
Sales taxes		209,761
Intergovernmental revenues -		
State fire insurance rebate		15,884
State revenue sharing		6,765
Miscellaneous revenues -		
Interest income		2,834
Other		3,324
	TOTAL REVENUES	<u>1,068,245</u>

EXPENDITURES

Current operations -		
Salaries		340,503
Payroll taxes		5,207
Deferred compensation		20,328
Professional fees		10,900
Tax collector fees		34,109
Computer services		17,129
Dispatch		50,249
Vehicle maintenance		38,497
Equipment maintenance		12,815
Building maintenance		24,501
Uniforms and protective gear		20,519
Supplies and small tools		3,944
Utilities		14,678
Telephone		5,125
Insurance		80,157
Training and fire prevention		22,277
Supplies, postage and printing		1,341
Dues and subscriptions		1,043
Miscellaneous		467
Capital outlays -		
Construction in progress		51,534
Firefighting equipment		5,950
Health and wellness equipment		5,447
	TOTAL EXPENDITURES	<u>766,720</u>

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	301,525
FUND BALANCE AT BEGINNING OF YEAR	<u>1,790,322</u>
FUND BALANCE AT END OF YEAR	<u>\$ 2,091,847</u>

The accompanying notes are an integral part of this statement.

FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Amounts reported for governmental activities are different because:

Net change in fund balances - total governmental funds (page 14)	\$ 301,525
Governmental funds report 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. This is the amount by which depreciation (\$200,386) exceeded capital outlays (\$62,931) in the current period.	<u>(137,455)</u>
Change in net position of governmental activities (page 12)	<u><u>\$ 164,070</u></u>

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fire Protection District No. 4 of the Parish of Pointe Coupee (the "District") was created by a resolution of the Pointe Coupee Parish Police Jury in 1981. The District operates under a commission form of government and provides fire protection services to all the territory situated within the limits of Pointe Coupee Election Districts 10 and 11. The Election Districts were constituted in 1981, and it was created in accordance with the authority of LRS 40:1494, and Article VI, Section 19 of the Constitution of the State of Louisiana for the year 1974 and other constitutional and statutory authority supplemental thereto and Local Services Agreements entered into by this Police Jury, the Mayor and Board of Aldermen of the Town of Livonia, and the Mayor and Board of Aldermen of the Town of Fordoche, Louisiana.

Reporting Entity

As stated previously, the District was created by a resolution of the Pointe Coupee Parish Police Jury in 1981 and is a political subdivision of the Pointe Coupee Parish Police Jury. In accordance with LRS 40:1494, the District is managed by a board of five commissioners. Two commissioners are appointed by the Pointe Coupee Parish Police Jury, one appointed by the Town of Livonia, and one appointed by the Town of Fordoche. These four commissioners then appoint the fifth to act as chairperson.

Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus, an Amendment of GASB Statements No. 14 and No. 34*, established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a component unit of the Pointe Coupee Parish Police Jury. As a component unit, the accompanying financial statements are to be included within the reporting of the primary government, either blended within those financial statements or separately reported as a discrete component unit. Under provisions of this statement, there are no component units of the District.

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The previous reporting model emphasized fund types (the total of all funds of a particular type), and in the reporting model as defined by GASB Statement No. 34, the focus is either the District as a whole or major individual funds (within the fund financial statements).

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Public Safety) or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or activity. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, (2) grants and contributions that are restricted to meeting the operational requirements of a particular function or activity, and (3) grants and contributions that are restricted to meeting the capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property, sales, franchise taxes, intergovernmental revenues, interest income, etc.).

Separate fund based financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The only major governmental fund is the general fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government fund level 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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The grant revenue availability period is generally considered to be one year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

Ad valorem tax revenues in the General Fund are recognized under the susceptible to accrual concept. Miscellaneous revenues are recorded as revenues when received in cash as the resulting receivable is not considered material. Investment earnings are recorded as earned since they are measurable and available. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the District; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if susceptible to accrual criteria are met.

The following major fund is used by the District in its governmental funds:

- General Fund accounts for the District's primary public safety service and is the primary operating unit of the District.

GASB No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained, and incorporates the information into the Governmental Activities column in the government-wide Statement of Net Position.

Assets, Liabilities, Net Position, and Fund Balances

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits and money market accounts. Under state law, the District may deposit funds in demand deposits, money market accounts, or time deposits with a bank organized under Louisiana law or of any other state of the United States, or under the laws of the United States.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State statutes authorize the District to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost. Cash deposits are reported at carrying amount which reasonably estimates fair value.

Receivables

Receivables consist of all revenues earned at year-end and not yet received.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31 are recorded as prepaid items in both government-wide and fund financial statements.

Inventories

Purchases of operating supplies by governmental fund types are recorded as expenditures when purchased; inventories of such supplies are not recorded and are not considered by management to be material. Inventory is stated at the lower of cost or market.

Capital Assets and Depreciation

The District's property and equipment with useful lives of more than one year are capitalized at historical cost or estimated historical cost. The District's policy has set the capitalization threshold for reporting capital assets at \$500. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Uniforms and protective gear which are susceptible to excessive wear and tear and fire code regulations are expensed when incurred.

When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Capital assets are depreciated using the straight-line method over the estimated useful lives, in years, for depreciable assets as follows:

Buildings	40 years
Vehicles	15 years
Firefighting equipment and tools	10 years
Radios and paging equipment	10 years
Fire hydrants and water supply lines	25 years
Furniture, fixtures, and office equipment	5 & 12 years
Health and wellness equipment	10 years

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2021, there were no amounts considered to be uncollectible.

Long-term Liabilities

In the government-wide financial statements, long-term debt is reported as a liability in the applicable governmental activities statement of net position.

In the government funds financial statements, the face amount of debt is reported as other financing sources. Interest and principal payments are reported as debt service expenditures.

Net Position

In the Statement of Net Position, the difference between the District's assets and liabilities is recorded as net position. The three components of net position are as follows:

- Net invested in capital assets – This category consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances on any bond, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – This category consists of net position with constraints place on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted net position – This category represents all net position that does not meet the definition of "restricted" or "net invested in capital assets."

Fund Balance

In the fund financial statements, fund balance of the governmental funds are classified as follows:

- 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.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Restricted – Amounts that can only be spent for specific purposes because of constitutional provisions or enabling legislation or because constraints are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments,
- Committed – Amounts that can be used only for specific purposes determined by a formal action of the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the District.
- Assigned – Amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes.
- Unassigned – All other spendable amounts.

As of December 31, 2021, all fund balances were designated as nonspendable (\$23,877) and unassigned (\$2,067,970).

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will *not* be recognized as an outflow of resources (expenses) until that future period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will *not* be recognized as an inflow of resources (revenue) until that future period.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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. Actual results could differ from those estimates.

Sales Tax

Fire Protection District No. 4 of the Parish of Pointe Coupee accounts for the collection of the 2% Policy Jury Sales Tax from the Pointe Coupee Parish Tax Collector. The District receives 5% of the 2% Police Jury Sales Tax. For the year ended December 31, 2021, the amount of sales tax received by the District was \$209,761.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Information

Policy and Practice

The Chairman submits an annual budget for the General Fund by Fire Station to the Board in accordance with the Louisiana Local Government Budget Act. The budget is presented to the Board for review, and public hearings are held to address the proposed appropriations. Once approved, and adopted by the Board, the Board may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Basis of Budgeting

The General Fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source and expenditures are budgeted by function. Budget revisions at this level are subject to final review by the Board. The legal level of control is by function within the General Fund. Expenditures may not exceed appropriations at this level. Revisions to the budget were made throughout the year.

The General Fund budget is prepared on the modified accrual basis. The budget and actual financial statement is reported on this basis. Unencumbered appropriations for annually budgeted funds lapse at the fiscal year-end.

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank accounts. See Note A for additional cash disclosure note information.

At December 31, 2021, the Fire Protection District No 4 of the Parish of Pointe Coupee had the following bank balances and book balances for cash and cash equivalents:

	Bank Balances	Book Balances
Cash and cash equivalents	\$ 1,277,781	\$ 1,274,728

Custodial Credit Risk – Deposits and Investments

Custodial credit risk is the risk that in the event of a bank failure the District's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured or collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the District. The District's cash and investment policy, as well as state law, requires that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CASH AND CASH EQUIVALENTS (CONTINUED)

The following chart represents bank balances for the District as of December 31, 2021. Deposits are listed in terms of whether they are exposed to custodial credit risk.

	Cash and Cash Equivalents	FDIC Coverage	Total
Deposits per Balance Sheet (Reconciled bank balance)	\$ 1,274,728	\$ -	\$ 1,274,728
Deposits in bank accounts per bank	\$ 1,277,781	\$ (250,000)	\$ 1,027,781
Bank balances exposed to custodial credit risk:			\$ 1,027,781
a. Uninsured and uncollateralized			-
b. Uninsured and collateralized with securities held by the pledging institution			-
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's name			\$ 1,198,215
Excess of FDIC insurance and pledged securities over cash and investments at December 31, 2021			\$ (170,434)

NOTE C – CAPITAL ASSETS

A summary of changes in general fixed assets is as follows:

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
Land	\$ 131,000	\$ -	\$ -	\$ 131,000
Construction in progress	-	51,534	-	51,534
Buildings	681,419	-	-	681,419
Vehicles	2,567,368	-	-	2,567,368
Firefighting equipment and tools	853,161	5,950	-	859,111
Radios and paging equipment	827,923	-	-	827,923
Medical equipment	531,783	-	-	531,783
Furniture, fixtures, and equipment	84,735	-	-	84,735
Fire hydrant and water supply lines	126,486	-	-	126,486
Health and wellness equipment	2,279	5,447	-	7,726
Total Capital Assets	\$ 5,806,154	\$ 62,931	\$ -	\$ 5,869,085

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE C – CAPITAL ASSETS (CONTINUED)

	Accumulated Depreciation Balance			Accumulated Depreciation Balance		Capital Assets Net of Accumulated Depreciation
	1/1/2021	Additions	Deletions	12/31/2021		
Land	\$ -	\$ -	\$ -	\$ -	\$	131,000
Construction in progress	-	-	-	-		51,534
Buildings	324,657	17,070	-	341,727		339,692
Vehicles	1,934,939	96,043	-	2,030,982		536,386
Firefighting equipment and tools	787,901	26,210	-	814,111		45,000
Radios and paging equipment	805,532	6,107	-	811,639		16,284
Medical equipment	374,490	48,579	-	423,069		108,714
Furniture, fixtures, and equipment	75,100	3,184	-	78,284		6,451
Fire hydrant & water supply lines	96,343	3,097	-	99,440		27,046
Health and wellness equipment	2,204	96	-	2,300		5,426
Total Accumulated Depreciation	\$ 4,401,166	\$ 200,386	\$ -	\$ 4,601,552	\$	1,267,533

Depreciation for the year ended December 31, 2021 was \$200,386.

NOTE D – AD VALOREM TAXES

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property were to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 10% of "use" value; and all other property to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax District. The assessor is required to re-appraise all property every four years.

The Sheriff of Pointe Coupee Parish, as provided by State Law, is the official tax collector of general property taxes levied by the Parish. By agreement, the Sheriff receives a commission of approximately 4.23%.

The millage rates are adopted in late October. The taxes are levied and notices are mailed out in mid-November of the year. All taxes are due by December 31st of the year and are delinquent on January 1st of the next year, which is also the lien date.

State Law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If taxes are not paid by the due date of December 31st, the taxes bear interest at one and one-fourth percent (1.25%) per month until the taxes are paid.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE D – AD VALOREM TAXES (CONTINUED)

After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the quantity of property necessary to settle the taxes and interest owed.

Property taxes are recognized as revenue in the year in which they are levied and become due. The majority of the year's taxes are usually collected in November and December of the year. Any amounts not collected at December 31 are shown as accounts receivable.

For the year ended December 31, 2021, taxes of \$863,222 were levied on property with assessed valuations totaling \$79,122,055 at the rate of 10.91 mills for the following purposes: (1) maintaining and operating the District's fire protection facilities, (2) purchasing fire trucks and other firefighting equipment, (3) paying the cost of obtaining water for fire protection purposes, including charges for fire hydrant rentals and service, and (4) paying the cost of acquiring, improving, or constructing fire protection facilities of the Fire Protection District, constituting works of public improvement, title to which shall be in the public.

NOTE E – DEFERRED COMPENSATION PLAN

In January 2014, the District implemented a deferred compensation plan under Section 457 of the Internal Revenue Code for its employees. All employees of the District are required to participate in the deferred compensation plan. Employees are required to contribute a minimum of 3.0% of their gross compensation into the deferred compensation plan and may contribute a higher percentage of their gross compensation, if requested. The District provides a 6.0% contribution and does not match any additional employee contributions to the deferred compensation plan. Upon termination of employment, retirement, death, or the occurrence of an unforeseeable emergency, the employee (or their beneficiaries) may withdraw the contributions plus interest at a reasonable rate. Contributions made by the employee and the employer are managed by an independent third-party administrator selected by the District. The District's contributions to the deferred compensation plan for the years ended December 31, 2021, 2020, and 2019, 2018, and 2017, were \$20,328, \$22,346, and \$21,978, respectively.

NOTE F – RISK RETENTION

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee medical insurance; and natural disasters. The District carries commercial insurance for risks of loss or damage to property, general liability, and medical insurance. There were no significant reductions in insurance coverage in 2021 from coverage in the prior year. Settled claims have not exceeded this commercial coverage in the past 3 fiscal years.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE G – LITIGATION AND CLAIMS

There were no judgments, claims, or other similar contingencies pending against the District at December 31, 2021.

NOTE H – COMPENSATION PAID TO BOARD MEMBERS

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

Donald Chenevert	\$	-
Fred Gueho		-
Clevis Cormier		-
Charles Landry		-
Ronnie Barlow		-
	\$	-

NOTE I – RELATED PARTIES

The Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana is a component unit of the Pointe Coupee Parish Police Jury, and may enter into transactions with related parties, including parish council members and the parish administrator. From knowledge obtained during the audit, no related party transactions have occurred between parish council members or the parish administrator of Pointe Coupee Parish.

NOTE J – NEW ACCOUNTING PRONOUNCEMENTS NOT YET IMPLEMENTED

GASB Statement 87, Leases: This standard will require all leases to be reported on the statement of net positions under a single accounting model for both lessors and lessees. The statement will require the recognition of lease assets or liabilities for leases including those previously reported as operating leases. All 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 reporting a deferred inflow of resources. The standard is effective for annual reporting periods beginning after June 15, 2021. The District will include the requirements of this standard, as applicable, in its December 31, 2022 financial statement. All of the District'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 District is unknown at this time.

GASB Statement 96, Subscription-Based Information Technology Arrangements: This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangement for government end users. This Statement is effective for fiscal years beginning after June 15, 2022.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

**NOTE J – NEW ACCOUNTING PRONOUNCEMENTS NOT YET IMPLEMENTED
(CONTINUED)**

GASB Statement 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for the IRS Section 457 Deferred Compensation Plans. The requirements of this Statement related to the accounting and financial reporting for IRS Code Section 457 plans are effective for periods beginning after June 15, 2021.

GASB Statement 91, Conduit Debt Obligations: The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. This Statement is effect for reporting periods beginning with the fiscal year that ends December 31, 2022.

GASB Statement 92, Omnibus 2020: The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issue that have been identified during implementation and application of certain GASB statements. This statement is effective for reporting periods beginning after June 15, 2021.

GASB Statement 93, Replacement of Interbank Offered Rates: The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate. The requirement in paragraph 11b will take effect for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for reporting periods beginning after June 15, 2021.

GASB Statement 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements: The primary object of this statement is to improve financial reporting by addressing issues related to these arrangements. This statement is effective for reporting periods beginning after June 15, 2022.

Management is currently assessing the impact that the implementation of these pronouncements will have on the basic financial statements, if any.

NOTE K – INTERGOVERNMENTAL AGREEMENT

Fire Protection District No. 4 of the Parish of Pointe Coupee has an intergovernmental agreement with Fire Protection District No. 5 of the Parish of Pointe Coupee. The purpose of this agreement is to fulfill the need for the establishment of a cooperative dispatcher incentive pay agreement on behalf of the Parish fire departments by District 5 with the use of multiple fire department contributions. An annual payment under this agreement was the responsibility of this District at \$7,200. This agreement was effective for January 1, 2021 and terminated December 31, 2021.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE L – SUBSEQUENT EVENTS

These financial statements considered subsequent events through June 22, 2022, the date the financial statements were available to be issued. No events occurring after this date have been evaluated for inclusion in these financial statements.

As a result of COVID-19 coronavirus, economic uncertainties have arisen which are likely to have a negative impact on operations and cause business disruption. However, the related financial impact and duration cannot be reasonably estimated at this time. The Fire District is closely monitoring its financial statements for 2022 impacts.

REQUIRED SUPPLEMENTARY INFORMATION

**FIRE PROTECTION DISTRICT NO.4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE				
Taxes -				
Ad valorem	\$ 740,000	\$ 740,000	\$ 829,677	\$ 89,677
Sales taxes	150,000	150,000	209,761	59,761
Intergovernmental revenues -				
State fire insurance rebate	16,000	16,000	15,884	(116)
State revenue sharing	6,000	6,000	6,765	765
Miscellaneous revenues -				
Interest income	5,100	5,100	2,834	(2,266)
Other	15,000	15,000	3,324	(11,676)
TOTAL REVENUES	<u>932,100</u>	<u>932,100</u>	<u>1,068,245</u>	<u>136,145</u>
EXPENDITURES				
Current operations -				
Salaries	427,575	427,575	340,503	87,072
Payroll taxes	-	-	5,207	(5,207)
Deferred compensation	-	-	20,328	(20,328)
Professional fees	18,900	18,900	10,900	8,000
Tax collector fees	-	-	34,109	(34,109)
Computer services	17,000	17,000	17,129	(129)
Dispatch	23,025	23,025	50,249	(27,224)
Vehicle maintenance	47,000	47,000	38,497	8,503
Equipment maintenance	10,000	10,000	12,815	(2,815)
Building maintenance	33,000	33,000	24,501	8,499
Uniforms and protective gear	15,000	15,000	20,519	(5,519)
Supplies and small tools	45,000	45,000	3,944	41,056
Utilities	16,000	16,000	14,678	1,322
Telephone	5,000	5,000	5,125	(125)
Insurance	83,000	83,000	80,157	2,843
Training and fire prevention	30,000	30,000	22,277	7,723
Supplies, postage and printing	2,000	2,000	1,341	659
Dues and subscriptions	2,500	2,500	1,043	1,457
Fire prevention materials	5,000	5,000	-	5,000
Miscellaneous	1,100	1,100	467	633
Capital outlays -				
Construction in progress	-	-	51,534	(51,534)
Buildings	100,000	100,000	-	100,000
Vehicles	35,000	35,000	-	35,000
Firefighting equipment and tools	10,000	10,000	5,950	4,050
Health and wellness equipment	-	-	5,447	(5,447)
Medical equipment	5,000	5,000	-	5,000
TOTAL EXPENDITURES	<u>931,100</u>	<u>931,100</u>	<u>766,720</u>	<u>164,380</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,000	1,000	301,525	300,525
FUND BALANCE, BEGINNING OF YEAR	<u>1,790,322</u>	<u>1,790,322</u>	<u>1,790,322</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,791,322</u>	<u>\$ 1,791,322</u>	<u>\$ 2,091,847</u>	<u>\$ 300,525</u>

SUPPLEMENTARY INFORMATION

**FIRE PROTECTION DISTRICT NO.4
OF THE PARISH OF POINTE COUPEE
LIVONIA & FORDOCHE, LOUISIANA
TAXABLE PROPERTY VALUATIONS
SINCE INCEPTION
(UNAUDITED)**

<u>Year</u>	<u>Mills Levied</u>	<u>Assessed Value</u>	<u>Homestead Exemption</u>	<u>Tax to be Paid by Owner</u>	<u>Tax to be Paid by State</u>	<u>Total Tax</u>
1982	3.00	\$ 22,435,266	\$ 3,845,101	\$ 55,772	\$ 11,537	\$ 67,309
1983	3.00	24,265,476	3,965,946	60,900	11,900	72,800
1984	3.00	23,989,111	4,072,574	59,251	12,220	71,971
1985	3.00	26,956,547	4,181,788	68,326	12,547	80,873
1986	3.34	24,942,091	4,374,197	68,696	14,609	83,305
1987	3.34	25,357,580	4,397,197	70,007	14,686	84,693
1988	3.60	24,155,783	4,203,073	71,830	15,131	86,961
1989	3.60	24,489,906	4,307,573	72,656	15,507	88,164
1990	3.60	23,671,216	4,393,027	69,402	15,815	85,216
1991	3.60	24,546,980	4,468,982	72,281	16,088	88,369
1992	10.72	24,416,469	4,618,835	212,230	49,514	261,744
1993	10.31	24,753,536	4,753,918	206,197	49,015	255,212
1994	10.31	24,879,333	4,876,381	206,231	50,278	256,509
1995	10.31	26,360,828	5,026,631	219,957	51,827	271,783
1996	10.10	27,597,811	5,647,378	221,701	57,041	278,743
1997	10.10	28,848,919	5,882,582	231,962	59,417	291,379
1998	10.91	27,430,758	6,162,933	232,033	67,239	299,273
1999	10.91	29,060,127	6,379,115	247,451	69,598	317,050
2000	10.91	29,529,102	7,089,964	244,813	77,354	322,166
2001	10.91	30,439,289	7,328,324	252,142	79,954	332,096
2002	10.91	23,034,553	7,537,944	51,309	82,241	333,550
2003	10.91	23,800,929	7,731,604	259,670	84,354	344,024
2004	10.91	27,177,135	8,400,680	296,504	91,653	388,157
2005	10.91	29,342,595	8,606,150	320,130	93,895	414,024
2006	10.91	29,810,018	8,795,410	325,229	95,960	421,189
2007	10.91	31,506,615	8,947,680	343,739	97,621	441,360
2008	9.11	38,094,363	9,440,371	347,040	86,002	433,042
2009	9.11	40,643,479	9,679,321	370,263	88,179	458,442
2010	10.91	49,364,938	9,872,301	538,572	107,705	646,277
2011	10.91	48,869,249	9,976,861	533,163	108,846	642,009
2012	10.91	56,561,984	10,055,056	617,092	109,699	726,791
2013	10.91	61,539,464	10,078,246	671,396	109,953	781,349
2014	10.91	62,342,434	10,174,916	680,157	111,008	791,165
2015	10.91	67,993,739	10,188,451	741,813	111,155	852,968
2016	10.91	74,463,845	10,783,415	812,401	117,646	930,047
2017	10.91	70,855,275	10,810,085	773,031	117,936	890,968
2018	10.91	79,374,730	10,894,455	865,979	118,857	984,835
2019	10.91	77,480,210	10,810,625	845,310	117,942	963,252
2020	10.91	88,663,315	11,169,435	967,317	121,858	1,089,175
2021	10.91	79,122,055	11,255,125	863,222	122,793	986,015

FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD
FOR THE YEAR ENDED DECEMBER 31, 2021

Agency Head: Paul A. Pinsonat

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 25,000
Benefits - insurance	-
Benefits - retirement	1,530
Car allowance	-
Travel	-
Registration fees	1,257
Conference Travel	1,749
Total	<u>\$ 29,536</u>

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

BAXLEY AND ASSOCIATES, LLC

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Stephanie F. Morales, CPA

Hugh F. Baxley, CPA/CGMA – Retired

SCHEDULE 3

Board of Commissioners
Fire Protection District No. 4 of the
Parish of Pointe Coupee
Livonia & Fordoche, Louisiana

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States, the financial statements of the governmental activities of Fire Protection District No.4 of the Parish of Pointe Coupee, Louisiana (the "District"), a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 22, 2022.

Report on Internal Control over Financial Reporting

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

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as 2021-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

District's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the Fire District No. 4 of the Parish of Pointe Coupee, Louisiana's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Baxley & Associates, LLC

Plaquemine, Louisiana
June 22, 2022

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana.
2. One significant deficiency relating to the audit of the financial statements is reported in the Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana were found.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2021-001 LACK OF CONTROLS OVER FINANCIAL REPORTING IN ACCORDANCE WITH GAAP

Condition:

The District does not have employees with sufficient expertise and training to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is a repeat finding.

Criteria:

Year-end adjusting journal entries were not made to the financial statements to ensure that the statements were prepared in accordance with generally accepted accounting principles.

Effect:

As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the annual financial statements. This condition is intentional by management based upon the financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls. AU-C 265 requires that we report the above condition as a control deficiency. This section does not provide exceptions to reporting deficiencies that are adequately mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2021

Recommendation:

As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying AU-C 265's reporting requirements. Prudent management requires that the potential benefit from an internal control must exceed its cost. It, therefore, may not be practical to correct all the deficiencies an auditor reports under AU-C 265. In this case we do not believe the significant deficiency described above would be cost effective or practical, and accordingly, do not believe any corrective action is necessary.

Management's Response:

Due to the small size of the organization, the District does not consider it economically feasible to hire an additional accountant to prepare year-end financial statements.

FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

**2020-001 LACK OF CONTROLS OVER FINANCIAL REPORTING IN ACCORDANCE
WITH GAAP**

Condition:

The District does not have employees with sufficient expertise and training to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is a repeat finding.

Recommendation:

Prudent management requires that the potential benefit from an internal control must exceed its cost. It, therefore, may not be practical to correct all the deficiencies an auditor reports under AU-C 265. In this case, we do not believe the significant deficiency described above would be cost effective or practical, and accordingly, do not believe any corrective action is necessary.

Current Status:

This is a repeat finding in the current audit year.

**FIRE PROTECTION DISTRICT NO. 4 OF
THE PARISH OF POINTE COUPEE
LIVONIA & FORDOCHE, LOUISIANA
INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED DECEMBER 31, 2021**

BAXLEY AND ASSOCIATES, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of Fire Protection
District No. 4 of the Parish of Pointe Coupee, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana's management is responsible for those C/C areas identified in the SAUPs.

The Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations.
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

- c) **Disbursements**, including processing, reviewing, and approving.
- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Findings:

The written policies and procedures were provided. The policies and procedures provided by the District did not address the category of Information Technology Disaster Recovery/Business Continuity. The policies and procedures did not address management's actions to determine completeness of all collections under Receipts/Collections and the approval process for employee(s) rate of pay or

approval and maintenance of pay rate schedules under Payroll/Personnel. Also, the procedures under Ethics only covers the actions to be undertaken if an ethics violation takes place. Lastly, the policies and procedures did not address attendance compensation while attending conferences, conventions, and training.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds⁷. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Findings:

The Board did meet with quorum for the fiscal year ended December 31, 2021. The Secretary's report was approved at each meeting held which includes budget-to-actual financials. There was no negative unassigned fund balance in the prior year audit report.

No exceptions were found as a result of this procedure.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged)

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Findings:

We received a listing from management of the entity's bank accounts along with management's representation that the listing was complete.

All five of the bank accounts selected had evidence that they were reconciled within two months of the related statement closing date and that they were reviewed by a member of management who does not handle cash, post ledgers, or issue checks. There were no outstanding items greater than 12 months.

No exceptions were found as a result of this procedure.

Collections (excluding electronic funds transfers)

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Findings:

We received a listing of deposits sites along with management's representation that the listing is complete.

No exceptions were found as a result of this procedure.

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Findings:

A listing of collection locations was provided along with management's representation that the listing is complete. The employees involved in this process do not share a cash drawer or register. The employee responsible for collecting cash is not responsible for preparing/making the bank deposit, unless another employee is responsible for reconciling the collection documentation to the deposit. The employee responsible for collecting cash is not responsible for posting collection entries to the general ledger unless another employee reconciles the ledger postings to the deposit. The employee responsible for reconciling cash collections to the ledger is not responsible for collecting cash unless another employee verifies the reconciliation.

No exceptions were found as a result of this procedure.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Findings:

A copy of the insurance policy in effect for 2021 was provided.

No exceptions were found as a result of this procedure.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Trace the actual deposit per the bank statement to the general ledger.

Findings:

For the selected deposits: receipts and related collection documentation agreed to the deposit slip; the deposit slip totals agreed to the bank statement; the deposits were made within one business day of receipt unless the deposit was less than \$100 and the cash was stored securely in a locked fire safe; and the actual deposits per the bank statement agreed to the general ledger.

No exceptions were found as a result of this procedure.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Findings:

A listing of locations that process payments for the fiscal period was provided along with management's representation that the listing is complete.

No exceptions were found as a result of this procedure.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

Findings:

We obtained documentation showing that at least two employees are involved in initiating a purchase request, approving a purchase, and making the purchase as well as processing and approving payments to vendors. The employee responsible for processing payments does not enter or modify vendors.

However, the employee responsible for processing payments also mails the checks once signed.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Findings:

We received the entity's non-payroll disbursement transaction population along with management's representation that the population is complete.

The selected disbursements matched the related invoices and supporting documentation and had evidence of the segregation of duties tested under #9 as applicable.

No exceptions were found as a result of this procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Findings:

We received the listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period along with management's representation that it was complete.

No exceptions were found as a result of this procedure.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

Findings:

For the five selected cards, there was documentation showing that the cards were reviewed and approved in writing or electronically. None of the cards were assessed finance charges and/or late fees.

No exceptions were found as a result of this procedure.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies

precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Findings:

Only one of the cards selected was a credit card. The other four cards were fuel cards. For the credit card selected, three of the transactions did not have an original receipt or replacement documentation for missing invoices. There was one meal charge that was supported by a receipt, but it did not have indication of business purpose or documentation of who was participating in the meal.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Findings:

Management provided a listing or general ledger of the travel and travel-related expense reimbursements made during the fiscal period along with their representation that the listing or general ledger was complete.

Five transactions were randomly selected and all five were supported by appropriate supporting documents and documentation of the business purpose. The transactions had evidence of review and approval.

No exceptions were found as a result of this procedure.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's

representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Findings:

We received the listing that represented no contracts were in effect for the fiscal year along with management's representation. The procedure is not applicable to the District for this fiscal year based upon this representation.

No exceptions were found as a result of this procedure.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Findings:

We received a listing of employees and officials employed during the fiscal period along with management's representation that the listing is complete.

The five selected paid salaries agreed to personnel records.

No exceptions were found as a result of this procedure.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Findings:

Daily attendance was documented and reviewed by a supervisor for the pay period selected and the pay was agreed to the pay noted in personnel records. According to the policies and procedures of the District, all employees are part-time employees with no paid leave. The portions of the procedure related to leave documentation is not applicable to the District.

No exceptions were found as a result of this procedure.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Findings:

We received representation from management that no termination payments were paid during the fiscal period.

No exceptions were found as a result of this procedure.

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Findings:

We received management's representation that the employer and employee portions of third party payroll related amounts have been paid and any associated forms had been filed by required deadlines.

No exceptions were found as a result of this procedure.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Findings:

Ethics certificates were provided for two out of the five employees selected. Per the entity, no changes were made to the entity's ethics policy during the fiscal period.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Findings:

As per management's representation, no bonds/notes and other debt instruments were issued during the year. Therefore, the rest of the procedure is not applicable.

No exceptions were found as a result of this procedure.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Findings:

As per management's representation, no bonds/notes and other debt instruments outstanding at the end of the fiscal period. Therefore, the rest of the procedure is not applicable.

No exceptions were found as a result of this procedure.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Findings:

As per management's representation, there is no listing of misappropriations of public funds and assets during the fiscal period ended December 31, 2021.

No exceptions were found as a result of this procedure.

24. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Findings:

The District's website has a link to the online form to report Fraud to the Louisiana Legislative Auditors as well as the poster posted on their premises.

No exceptions were found as a result of this procedure.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
- a) Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Findings:

We performed the above procedures and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Findings:

Only one of the five employees selected had documentation showing that sexual harassment training had been completed during the calendar year.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

Findings:

The District does not have a sexual harassment policy and complaint procedure posted on its website.

28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Findings:

The sexual harassment report was prepared for the year ended December 31, 2021 and addressed the above items.

No exceptions were found as a result of this procedure.

We were engaged by the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana 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 applicable standards of *Government Auditing Standards*. 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 those C/C areas identified in the SAUPs. 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 Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana 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 those C/C areas identified in the SAUPs, 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 LLA as a public document.

Baxley & Associates, LLC

Plaquemine, Louisiana
June 22, 2022

**Fire Protection District No. 4
of the Parish of Pointe Coupee**

**Management's Response to Statewide Agreed-Upon Procedures
For the Year Ended December 31, 2021**

Management's Response to Items:

1. The effected written policies and procedures will be updated in accordance with Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs).

9. Due to the size of the District's operations, segregation of duties is difficult to divide. However, the employee that processes payments and mails out checks, does not reconcile the bank account. The person that reconciles the bank account, reviews all cleared checks for accuracy.

13. On future meal receipts, employees will be required to obtain a list of employees attending the function where food is provided as well as give the purpose of the function

20. The District will continue to mandate this from all employees and board members and require all employees turn in a certificate before year end.

26. Management was unaware that Sexual Harassment training was required. This will be mandated in 2022 and in future years.

27. The sexual harassment policy is in the Standard Operating Procedures. Management was unaware this needed to be posted on the District's website. This policy will be posted on the District's website.