

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
 Fire Protection District No. Five
 of St. Landry Parish
 Arnaudville, Louisiana

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Fire District, as of December 31, 2020 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Fire District's basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head on page 20, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

This schedule 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
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Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 26, 2021, on our consideration of the Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Fire 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 Fire District's internal control over financial reporting and compliance.

John L. Dowling & Company

Opelousas, Louisiana
April 26, 2021

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2020

GOVERNMENTAL ACTIVITIES

ASSETS

Cash	\$ 1,555,696
Property taxes receivable, net	452,857
State revenue sharing receivable	30,703
Capital assets, net	1,623,434
<u>Total assets</u>	<u>3,662,690</u>

LIABILITIES

Accounts payable	17,604
<u>Total liabilities</u>	<u>17,604</u>

NET POSITION

Net investment in capital assets	1,623,434
Unrestricted	2,021,652
<u>Total net position</u>	<u>3,645,086</u>

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

ACTIVITIES	PROGRAM REVENUES			CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS		
<u>Governmental Activities</u>					
Public safety - fire	\$ 315,853	\$ -	\$ -	\$ -	\$ (315,853)
<u>Total governmental activities</u>	<u>315,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(315,853)</u>
General revenues					
Property taxes					464,278
Intergovernmental					73,767
Interest and investment earnings					6,066
Miscellaneous					844
Insurance claim income					1,503
<u>Total general revenues</u>					<u>546,458</u>
Change in net position					230,605
Net position – January 1, 2020					<u>3,414,481</u>
Net position – December 31, 2020					<u>3,645,086</u>

See accompanying notes and independent auditor's report.

FUND FINANCIAL STATEMENTS

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
DECEMBER 31, 2020

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Cash	\$ 1,555,696
Property taxes receivable, net	452,857
State revenue sharing receivable	<u>30,703</u>
<u>Total assets</u>	<u>2,039,256</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>	
<u>LIABILITIES</u>	
Accounts payable	\$ 17,604
<u>Total liabilities</u>	<u>17,604</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Unavailable revenue - property taxes and revenue sharing	<u>69,192</u>
<u>Total deferred inflows of resources</u>	<u>69,192</u>
 <u>FUND BALANCE</u>	
Unassigned	752,460
Committed	
SCBA replacement	100,000
LVFD property purchase	100,000
LVFD building construction	400,000
PVFD building improvements	150,000
AVFD building construction	<u>450,000</u>
<u>Total fund balance</u>	<u>1,952,460</u>
 <u>Total liabilities, deferred inflows of resources, and fund balance</u>	 <u>2,039,256</u>

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020

Total fund balance for the governmental fund at December 31, 2020		\$1,952,460
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.		69,192
Cost of capital assets at December 31, 2020	\$3,154,448	
Less: Accumulated depreciation as of December 31, 2020	<u>(1,531,014)</u>	<u>1,623,434</u>
Net position at December 31, 2020		<u><u>3,645,086</u></u>

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>GENERAL FUND</u>
<u>REVENUES</u>	
Taxes	
Property taxes	\$ 459,365
Intergovernmental	
State revenue sharing	46,989
Fire insurance tax	27,713
Other revenue	
Interest earnings	6,066
Miscellaneous	844
Insurance claim income	1,503
<u>Total revenues</u>	542,480
<u>EXPENDITURES</u>	
Public safety	
Current	
Contract work	8,500
Per diem fees	4,640
Postage	110
Professional fees	9,206
Miscellaneous	3,795
Building maintenance	3,271
Equipment maintenance	36,189
Firefighting clothing and accessories	13,873
Insurance	47,236
Communications	5,044
Training	264
Truck repairs	5,999
Truck fuel	3,039
Utilities	20,324
Supplies and repairs	4,386
Property tax pension expense	15,227
Capital outlay	
Equipment	111,103
<u>Total expenditures</u>	292,206
<u>NET CHANGE IN FUND BALANCE</u>	250,274
<u>FUND BALANCE</u> , beginning of year	1,702,186
<u>FUND BALANCE</u> , end of year	1,952,460

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Total net change in fund balance for the year ended December 31, 2020 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 250,274
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.		3,978
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 111,103	
Depreciation expense for year ended December 31, 2020	<u>(134,750)</u>	<u>(23,647)</u>
Total change in net position for the year ended December 31, 2020 per Statement of Activities		<u><u>230,605</u></u>

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Fire Protection District No. Five of St. Landry Parish have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The following is a summary of certain significant accounting policies and practices of the Fire Protection District No. Five of St. Landry Parish.

A. FINANCIAL REPORTING ENTITY

The basic entity being reported on is Fire Protection District No. Five of St. Landry Parish. Fire Protection District No. Five of St. Landry Parish (Fire District), which is a political subdivision of the state of Louisiana, was created by a resolution of the St. Landry Parish Police Jury in 1983. The District is governed by a Board of Commissioners. The District was created for the purpose of acquiring, maintaining, and operating buildings, machinery, equipment, water tanks, water hydrants, and water lines and any other such thing necessary to provide proper fire prevention and control within the District's limits. The District is financed primarily by parish ad valorem taxes which are dedicated for fire expenditures and debt service.

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

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Landry Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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

Because the parish government appoints a voting majority of the District's governing body and the parish government has the ability to impose its will on the District, the District was determined to be a component unit of the St. Landry Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of Fire Protection District No. Five of St. Landry Parish, the primary government, as a whole. They include all funds of the reporting entity. 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. Fiduciary funds are not included in the GWFS.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

FUND FINANCIAL STATEMENTS

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The fund presented in the financial statements and considered a major fund is described as follows:

Governmental Fund

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

MEASUREMENT FOCUS

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

BASIS OF ACCOUNTING

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

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

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the state of Louisiana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Interest earnings are recorded as earned since they are measurable and available.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. CASH AND INVESTMENTS

Under state law the District may deposit funds with any bank located within the state and organized under the laws of the state of Louisiana, any other state in the union, or under the laws of the United States. Further, the District may invest in time deposits or certificates of deposit of those banks.

Custodial risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

At year-end, the carrying amount of the District's cash was \$ 1,555,696. The bank balance of cash was \$1,541,220. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,291,220 was covered by pledged securities. Deposits secured by pledged securities were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the Fire District's name. The Fire District does not have a policy for custodial credit risk.

E. CAPITAL ASSETS

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment and furniture	5-20 years
Trucks	20-30 years

The District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Construction period interest is capitalized if material amounts of interest resulting from borrowings in the course of the construction of fixed assets is incurred. No interest was capitalized for the year ended December 31, 2020.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. BUDGETS AND BUDGETARY ACCOUNTING

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

1. The budget must be finally adopted by the District no later than the last day of the preceding year.
2. The Board of Commissioners may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.
3. Operating appropriations lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.
4. Budgets are adopted on a modified accrual basis.

G. VACATION, SICK LEAVE, AND PENSION PLAN

The District does not have any employees.

H. ENCUMBRANCES

Encumbrance accounting is not used by the District.

I. EXPENDITURES AND EXPENSES

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, governmental funds report expenditures of financial resources.

J. EQUITY CLASSIFICATIONS

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

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

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. EQUITY CLASSIFICATIONS (Continued)

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Commissioners – the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

The District considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. ESTIMATES

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

L. 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 financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until that time. The District does not have any of this type.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District does not have any of this type.

Property taxes and state revenue sharing receivable for the governmental fund types, which have been remitted within 60 days subsequent to the year-end, are considered measurable and available and recognized as revenues. All other property taxes and state revenue sharing are offset by deferred inflows of resources and, accordingly, have not been recorded as revenue.

NOTE 2 - PROPERTY TAXES

The District's property tax is collected by an intermediary government and remitted on a monthly basis. The intermediary government maintains the tax roll for property taxes for the District. The property tax, levied for the calendar year, is due to the intermediary government on or before December 31 and becomes delinquent on January 1. The taxes are generally collected in December of the current year and January and February of the ensuing year. For the year ended December 31, 2020, taxes of 13.49 mills were levied for maintenance.

All revenue sharing and property tax receivables are shown net of any allowance for uncollectable accounts. Property tax receivable for all governmental fund types, which have been remitted within 60 days subsequent to year-end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred inflows of resources and, accordingly, have not been recorded as revenue.

The taxpayers of Fire Protection District No. Five approved, at a special election held on April 21, 2012, a maintenance tax millage of 14.25 to be the maximum that could be assessed for a ten year period beginning with the 2013 tax year.

As per state requirements, each taxing district of the parish must remit a portion of total ad valorem taxes to the pension fund. This amount is determined by the legislative auditor each year and is to be taken out of the first month of collections of property taxes. If the collections from the first month are not sufficient to cover the pension fund deduction, then the remainder must be deducted from subsequent collections of the property taxes.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 - PROPERTY TAXES (Continued)

Since the Sheriff of the parish collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. A breakdown of property taxes receivable as of December 31, 2020 is as follows:

	<u>Total Tax Per Roll</u>	<u>Pension Fund Requirements</u>	<u>Estimated Uncollectible</u>	<u>Collected in November & December</u>	<u>Net Tax Receivable</u>
General Fund	\$ 470,882	\$15,227	\$2,798	\$ -	\$ 452,857

NOTE 3 - CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended December 31, 2020, for Fire Protection District No. Five of St. Landry Parish are as follows:

	<u>Balance 1/1/2020</u>	<u>Purchases</u>	<u>Deletions</u>	<u>Balance 12/31/2020</u>
Governmental activities				
Buildings	\$ 192,943	\$ 107,697	\$ -	\$ 300,640
Equipment and furniture	658,834	3,406	2,443	659,797
Trucks	2,184,011	-	-	2,184,011
Land	10,000	-	-	10,000
<u>Totals at historical cost</u>	<u>3,045,788</u>	<u>111,103</u>	<u>2,443</u>	<u>3,154,448</u>
Less accumulated depreciation				
Buildings	68,245	5,997	-	74,242
Equipment and furniture	383,600	36,586	2,443	417,743
Trucks	946,862	92,167	-	1,039,029
<u>Total accumulated depreciation</u>	<u>1,398,707</u>	<u>134,750</u>	<u>2,443</u>	<u>1,531,014</u>
Governmental activities				
Capital assets, net	<u>1,647,081</u>	<u>(23,647)</u>	<u>-</u>	<u>1,623,434</u>

Depreciation expense was charged to governmental activities as follows:

Public safety – fire	\$ 134,750
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FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 - DEFICITS IN INDIVIDUAL FUNDS

The District does not have a deficit fund balance for the year ended December 31, 2020.

NOTE 5 - PER DIEM

Compensation and travel paid to board members is summarized below:

<u>Board Members</u>	<u>Number of Meetings Attended</u>	<u>Compensation</u>
James P. Womack	12	\$ 1,040
Randy Courville	12	1,040
Andrew Degenhardt	11	560
Ryan Dupre	12	1,040
Wade Ray	10	960
		<u>4,640</u>

NOTE 6 - SUBSEQUENT EVENTS

The Fire District is in the process in accepting bids for the construction of the AVFD fire station at an estimated cost of \$450,000. Subsequent events were evaluated through April 26, 2021, the date which the financial statements were available to be issued.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Fire Protection District No. Five of St. Landry Parish does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 75, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

NOTE 8 - FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to balance classification.

	<u>General Fund</u>
Fund Balances:	
Nonspendable	\$ -
Restricted	-
Committed	1,200,000
Assigned	-
Unassigned	<u>752,460</u>
<u>Total fund balances</u>	<u>1,952,460</u>

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Taxes	\$ 425,000	\$ 452,203	\$ 459,365	\$ 7,162
Intergovernmental	77,000	74,765	74,702	(63)
Interest earnings	3,500	6,000	6,066	66
Miscellaneous	100,000	730	844	114
Insurance claim income	-	1,503	1,503	-
<u>Total revenues</u>	<u>605,500</u>	<u>535,201</u>	<u>542,480</u>	<u>7,279</u>
<u>EXPENDITURES</u>				
Public safety – fire				
Office supplies	5,000	4,450	4,386	64
Electricity	10,000	10,000	10,030	(30)
Telephone	8,000	7,300	7,189	111
Utilities	2,500	3,300	3,105	195
Insurance	50,000	47,236	47,236	-
Miscellaneous expense	6,000	3,900	3,795	105
Postage	200	55	110	(55)
Firefighting clothing and accessories	75,000	17,300	13,873	3,427
Communications	10,000	5,650	5,044	606
Fuel and oil	6,000	3,200	3,039	161
Truck repairs	20,000	6,700	5,999	701
Building maintenance	150,000	95,000	3,271	91,729
Training	30,000	300	264	36
Professional fees	10,000	28,500	9,206	19,294
Equipment maintenance	30,000	26,700	36,189	(9,489)
Prevention education expense	1,000	-	-	-
Board of directors per diem	4,000	4,800	4,640	160
Secretary - bookkeeper	6,000	8,500	8,500	-
Property tax pension expense	-	15,227	15,227	-
Capital outlay				
Equipment	-	-	111,103	(111,103)
<u>Total expenditures</u>	<u>423,700</u>	<u>288,118</u>	<u>292,206</u>	<u>(4,088)</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>181,800</u>	<u>247,083</u>	<u>250,274</u>	<u>3,191</u>
<u>FUND BALANCE</u> , beginning of year			<u>1,702,186</u>	
<u>FUND BALANCE</u> , end of year			<u>1,952,460</u>	

OTHER SUPPLEMENTARY INFORMATION

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
SCHEDULE OF COMPENSATION BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2020

Agency Head Name: James P. Womack, Chairman

Purpose	Amount
Salary	0
Benefits-insurance	0
Benefits-retirement	0
Benefits	0
Car allowance	0
Vehicle provided by government	0
Per diem	\$ 1,040
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses*	0
Special meals	0
Other	0

See independent auditor's report.

RELATED REPORTS

James L. Nicholson, Jr., CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



John S. Dowling, CPA - 1904-1984
 John Newton Stout, CPA - 1936-2005
 Chizal S. Fontenot, CPA - 1955-2012
 Russell J. Stelly, CPA - 1942 - 2019

Van L. Auld, CPA

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 www.jsdc-cpas.com

Retired

Harold Dupre, CPA - 1996
 Dwight Ledoux, CPA - 1998
 Joel Lanclos, Jr., CPA - 2003
 G. Kenneth Pavy, II, CPA - 2020

**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**

The Board of Commissioners
 Fire Protection District No. Five
 of St. Landry Parish
 Arnaudville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of The Fire Protection District No. Five of St. Landry Parish as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Fire District's basic financial statements and have issued our report thereon dated April 26, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fire District's internal control over financial reporting (internal control) to determine the 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 Fire District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fire 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.

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 weakness 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. However, we identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2020-1 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fire District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.

The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
Page 2

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 one instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and which is described in the accompanying Schedule of Findings and Responses as item 2020-2.

The Fire District's response to Findings

The Fire District's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Fire 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 it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


Opelousas, Louisiana
April 26, 2021

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2020

SECTION I - SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Fire Protection District No. Five of St. Landry Parish of Arnaudville, Louisiana.
2. One significant deficiency and no material weakness relating to the audit of the financial statements are reported in the 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.
3. One instance of noncompliance relating to the audit of the financial statements was reported in the 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.
4. No management letter was issued for the Fire District as of and for the year ended December 31, 2020.
5. There was no single audit requirement under The Uniform Guidance.

SECTION II - INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS

INTERNAL CONTROL

2020-1 Inadequate Segregation of Duties

Condition: Due to the small size of the District, the District did not have adequate segregation of functions within the accounting system.

Criteria: Accounting duties should be segregate among employees.

Cause: There are only a few people performing the daily operating activities.

Effect: The accounting functions are not segregated, and it is important that you are aware of this condition because errors or fraud could occur and not be detected.

Recommendation: A system of internal control should be established in order to mitigate the problem of having such few people performing the daily accounting functions.

Corrective Action Plan: There are not enough people at the District to segregate the accounting duties.

Contact Person: Candice Elkins

COMPLIANCE

2020-2 Sexual Harassment Policy

Condition: A sexual harassment policy was not adopted and the mandatory training requirements were not met by the board.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020

SECTION II - INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS
(CONTINUED)

COMPLIANCE (CONTINUED)

2019-2 Sexual Harassment Policy (Continued)

Criteria: The Louisiana Revised Statute (RS 42:341-344) states that each agency head must adopt a sexual harassment policy, containing certain required language, and compile an annual report containing information regarding the agency's compliance. Also, each public service must receive a minimum of one hour of education and training on preventing sexual harassment during each full calendar year.

Cause: A sexual harassment policy was not adopted and the mandatory training requirements were not met by the board.

Effect: The policy required by the Louisiana Revised Statute was not adopted, the reporting requirements were not met and the mandatory training requirements were not met by the board.

Recommendation: A sexual harassment policy should be adopted, an annual report should be compiled and each public servant shall perform one hour of education and training on preventing sexual harassment.

Corrective Action Plan: A sexual harassment policy will be adopted, the annual report will be compiled and each public servant will perform one hour of education and training on preventing sexual harassment.

Contact Person: Candice Elkins

SECTION III - INTERNAL CONTROL AND COMPLIANCE TO FEDERAL AWARDS

N/A

SECTION IV - MANAGEMENT LETTER

N/A

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2020

SECTION I - INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS

INTERNAL CONTROL

2019-1 Inadequate Segregation of Duties

Unresolved – Repeat Comment

COMPLIANCE

2019-2 Sexual Harassment Policy

Unresolved – Repeat Comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A