

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

ANNUAL BASIC FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORTS

Year Ended December 31, 2022

Royce T. Scimemi, CPA, APAC
Oberlin, LA

TABLE OF CONTENTS

	<u>Pages</u>
INDEPENDENT AUDITORS' REPORT	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of Net Position	6
Statement of Activities	7
FUND FINANCIAL STATEMENTS (FFS)	
Balance Sheet - Governmental Fund	10
Reconciliation of Governmental Fund Balance Sheet with Statement of Net Position	11
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund	12
Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance with Statement of Activities	13
NOTES TO THE BASIC FINANCIAL STATEMENTS	14-21
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund:	
Budgetary Comparison Schedule	23
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Compensation Paid to Board Members	25
Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer	26
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	27-28
SCHEDULE OF FINDINGS AND RESPONSES	29
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS AND RESPONSES (UNAUDITED)	30
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS	31

ROYCE T. SCIMEMI, CPA, APAC
CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210
Oberlin, LA 70655
Tele (337) 639-4334, Fax (337) 639-4068

Member
American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Allen Parish Fire Protection District No. 6
Oakdale, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities and only fund of the Allen Parish Fire Protection District No. 6 (the District), a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2022, 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 and only fund of the District as of December 31, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 District 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.

Responsibility 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; 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.

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 District's ability to continue as a going 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 will always detect a material misstatement when it exists.

Independent Auditors' Report
Board of Commissioners
Allen Parish Fire Protection District No. 6
Oakdale, Louisiana
June 13, 2023
Page 2

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, 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 District'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 District'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 budgetary comparison schedule on pages 23 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.

Board of Commissioners
Allen Parish Fire Protection District No. 6
Oakdale, Louisiana
June 13, 2023
Page 3

Management of the District has omitted the 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 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 omitted information.

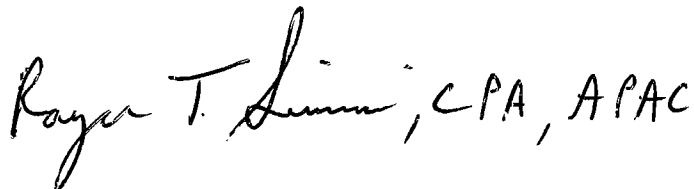
Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation paid to the board members, and the schedule of compensation, benefits and other payments to chief executive officer are presented on pages 25 and 26 as other supplementary information (OSI) 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 this OSI is fairly stated in all material respects in relation to the basic 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 13, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Royce T. Scimemi, CPA, APAC
June 13, 2023



BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

Allen Parish Fire Protection District No. 6
Statement of Net Position
December 31, 2022

		<u>Primary Government</u>
		<u>Governmental Activities</u>
ASSETS		
Cash and interest-bearing deposits	\$	1,209,589
Ad valorem taxes receivable		478,437
Accrued interest receivable		831
Equipment deposit		500,640
Land		34,224
Capital assets, net		1,033,959
Total Assets		<u><u>3,257,680</u></u>
DEFERRED OUTFLOWS OF RESOURCES		
Aggregated deferred outflows		--
Total Deferred Outflows of Resources		<u><u>--</u></u>
LIABILITIES		
Accounts payable		14,517
Total Liabilities		<u><u>14,517</u></u>
DEFERRED INFLOWS OF RESOURCES		
Aggregated deferred inflows		--
Total Deferred Inflows of Resources		<u><u>--</u></u>
NET POSITION		
<i>Invested in capital assets, net of related debt</i>		1,068,183
<i>Unrestricted</i>		2,174,980
Total Net Position	\$	<u><u>3,243,163</u></u>

The accompanying notes are an integral part of these financial statements.

**Allen Parish Fire Protection District No. 6
Statement of Activities
For the Year Ended December 31, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary Government Governmental Activities:					
Fire fighting and rescue	\$ 278,811	\$ --	\$ 17,532	\$ --	\$ (261,279)
Total Governmental Activities	\$ 278,811	\$ --	\$ 17,532	\$ --	\$ (261,279)
General Revenues:					
					3,722
					482,910
					486,632
					225,353
					3,017,810
					\$ 3,243,163

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

To account for financial resources traditionally associated with governments, which are not required to be accounted for in another fund.

**Allen Parish Fire Protection District No. 6
Balance Sheet
Governmental Fund
December 31, 2022**

	General Fund
ASSETS	
Cash and interest-bearing deposits	\$ 1,209,589
Ad valorem taxes receivable	478,437
Accrued interest receivable	831
Equipment deposit	500,640
<i>Total Assets</i>	2,189,497
 DEFERRED OUTFLOWS OF RESOURCES	
Aggregated deferred outflows	--
<i>Total Assets and Deferred Outflows of Resources</i>	\$ 2,189,497
 LIABILITIES	
Accounts payable	\$ 14,517
<i>Total Liabilities</i>	14,517
 DEFERRED INFLOWS OF RESOURCES	
Aggregated deferred inflows	--
<i>Total Liabilities and Deferred Inflows of Resources</i>	14,517
 FUND BALANCE	
Nonspendable	500,640
Unassigned	1,674,340
<i>Total Fund Balance</i>	2,174,980
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balance</i>	\$ 2,189,497

The accompanying notes are an integral part of these financial statements.

**Allen Parish Fire Protection District No. 6
Reconciliation of Governmental Fund Balance Sheet
with Statement of Net Position
December 31, 2022**

Total Fund Balance - Governmental Fund	\$ 2,174,980
Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance.	1,068,183
Total Net Position - Governmental Activities	\$ <u>3,243,163</u>

The accompanying notes are an integral part of these financial statements.

Allen Parish Fire Protection District No. 6
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2022

		General Fund
Revenues		
Ad valorem taxes	\$	482,910
Intergovernmental income		17,532
Interest income		3,722
Total Revenues		504,164
 Expenditures		
Current:		
Advertising		655
Automotive		6,025
Bank service charges		96
Contract labor		40,216
Dues and subscriptions		4,213
Insurance		30,673
Postage and delivery		70
Professional fees		9,921
Repairs and maintenance		45,202
Supplies		4,905
Telephone		4,920
Training		1,759
Utilities		8,436
Capital outlay		19,117
Total Expenditures		176,208
 Net Change in Fund Balance		327,956
<i>Fund Balance at Beginning of Period</i>		<i>1,847,024</i>
Fund Balance at End of Period	\$	2,174,980

The accompanying notes are an integral part of these financial statements.

Allen Parish Fire Protection District No. 6
Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and
Changes in Fund Balance with Statement of Activities
For the Year Ended December 31, 2022

Total Net Change in Fund Balance - Governmental Fund	\$	327,956
Basis in assets disposed of during the year.		(34)
Fixed assets expensed as capital outlay in governmental fund statements, capitalized as fixed assets in Statement of Net Position.		19,117
Depreciation expense reflected in entity-wide statements, not reflected in governmental fund statements.		(121,686)
Changes in Net Position - Governmental Activities	\$	<u>225,353</u>

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH FIRE PROTECTION DISTRICT No. 6
Oakdale, Louisiana

Notes to the Basic Financial Statements
December 31, 2022

Allen Parish Fire Protection District No. 6 was created under the provisions of Louisiana Revised Statutes 40:1491-1510 for the purpose of providing fire protection for the citizens of District 6 of Allen Parish. The district is governed by a board of commissioners composed of five members appointed by the Allen Parish Police Jury.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of Allen Parish Fire Protection District No. 6 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (police jury), (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 basic financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Allen Parish Police Jury 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. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury 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 police jury.
2. Organizations for which the police jury does not appoint a voting majority but which are fiscally dependent on the police jury.
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 police jury appoints all members to the governing body and has the ability to impose its will on the District, the District was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. The accompanying basic financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity. The District has no component units.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America and GASB 34, with the exception of the presentation of management’s discussion and analysis.

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the District as a whole. These statements generally include all the financial activities of the District except for fiduciary-agency funds. The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include operating grants and contributions. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements (FFS)

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

Governmental Fund Types:

General Fund -

The General Fund is the general operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

3. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various basic financial statements. On the government-wide statement of net position and statement of activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and financial position. All assets and liabilities (whether current or non-current) associated with their activities are reported. Equity is classified as net position.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The amounts reflected in the governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of District operations.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

In the government-wide statement of net position and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

The amounts reflected in the governmental funds use the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for the interest and principal payments on long-term debt which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent after December 31. The taxes are generally collected in December, January, and February of the fiscal year. The government considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Those revenues susceptible to accrual include property taxes and interest income.

Expenditures

Expenditures are generally recognized and recorded under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Capital expenditures are regarded as expenditures at the time of purchase.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Deposits

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. State statutes authorize the District to invest in obligations of the U.S. Treasury, U.S. government agencies, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having an office or branch in the State of Louisiana or any other federally insured investment. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana. LAMP generates a local government investment pool.

5. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

6. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of donation. The District maintains a threshold level of \$1,500 or more for capitalizing capital assets.

Capital assets are recorded in the statement of net position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Estimated Useful Lives</u>
Buildings and improvements	25-50 Years
Furniture and fixtures	12-25 Years
Machinery and equipment	5-25 Years
Vehicles	7-25 Years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

7. Budget

A general fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. On or before the last meeting of each year, the budget is prepared by function and activity, based on information from the past year and current year estimates for the next fiscal year. The proposed budget is presented to the District's Board of Commissioners for review. The board holds a public hearing. Any changes in the budget must be within the revenues and reserves estimated. The final budget for 2022 consists of the original budget adopted December 14, 2021, which was amended on December 15, 2022.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District as an extension of formal budgetary integration in the funds.

9. Equity Classification

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted 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.
- c. Unrestricted net position – All other net position that does not meet either of the above definitions.

The District's policy is to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense or expenditure which has been incurred.

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

- a. Nonspendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – Amounts that can be used for specific purposes determined by a formal action of the Board, which is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.
- d. Assigned – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Board's adopted policy, only board members may assign amounts for specific purposes.
- e. Unassigned – All other spendable amounts.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The District’s policy is to use restricted assets first when both restricted and other classes of fund balances are available unless prohibited by legal or contractual provisions. Additionally, the District will use committed and then assigned fund balances prior to utilizing unassigned fund balances when such classifications of fund balance are available for a selected expense or expenditure. However, the District reserves to right to selectively spend unassigned resources and to defer the use of other classified funds.

10. Use of Estimates

The preparation of basic financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results could differ from those estimates.

11. Long-Term Debt

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

NOTE B – DEPOSITS

As of December 31, 2022, the District had cash and interest-bearing deposits (book balances) totaling \$1,209,589. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. On December 31, 2022, the District had \$1,211,989 in deposits (collected bank balances), all of which was secured from risk by federal deposit insurance and pledged securities as follows:

Bank balances	<u>\$1,211,989</u>
Federal deposit insurance	\$ 750,000
Pledged securities (Category 3)	<u>461,989</u>
Total	<u>\$1,211,989</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District’s name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2022

within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - AD VALOREM TAXES

For the year ended December 31, 2022, taxes of 11.10 mills were levied on property with taxable assessed valuations totaling \$44,487,955 dedicated as follows:

Maintenance millage expiring December 31, 2027 11.10 mills

Total taxes levied during 2022 were \$493,816. Total taxes collected during 2022 were \$476,115. Property tax millage rates are adopted before November for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien.

NOTE D - CAPITAL ASSETS

A summary of changes in capital assets follows:

	12/31/21 <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	12/31/22 <u>Balance</u>
Capital assets not being depreciated:				
Land	\$ 34,224	\$ -	\$ -	\$ 34,224
Other capital assets:				
Buildings and improvements	431,698	-	-	431,698
Furniture and fixtures	5,445	-	1,100	4,345
Machinery and equipment	730,571	19,117	150	749,538
Vehicles	<u>1,469,278</u>	<u> </u>	<u> </u>	<u>1,469,278</u>
Total Capital Assets	2,671,216	19,117	1,250	2,689,083
Less: accumulated depreciation:				
Buildings and improvements	175,615	11,352	-	186,967
Furniture and fixtures	3,640	306	1,100	2,846
Machinery and equipment	520,977	51,258	116	572,119
Vehicles	<u>800,198</u>	<u>58,770</u>	<u> </u>	<u>858,968</u>
Total Accumulated Depreciation	<u>1,500,430</u>	<u>121,686</u>	<u>1,216</u>	<u>1,620,900</u>
Net Capital Assets	<u>\$1,170,786</u>	<u>\$ (102,569)</u>	<u>\$ 34</u>	<u>\$1,068,183</u>

Depreciation expense in the amount of \$121,686 was charged to fire fighting and rescue in 2022.

NOTE E - RISK MANAGEMENT

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; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2022

NOTE F - LITIGATION AND CLAIMS

The District was not involved in any litigation on December 31, 2022 or during the year then ended, except that the District was named as a defendant on one lawsuit involving an automobile accident. However, no District vehicle or personnel were actually involved in the accident and based on management's opinion, the ultimate disposition of such claim and legal proceeding is not expected to have a material adverse effect on the District's financial position or changes in financial position. If the District is liable at all, management expects any losses or liability to be fully covered by the District's liability insurance coverage.

NOTE G - SUBSEQUENT REVIEW

The District has evaluated subsequent events through June 13, 2023, the date which the basic financial statements were available to be issued.

NOTE H - TAX ABATEMENTS

Louisiana's State Constitution Article VII, Section 21 authorized the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment relating to manufacturing for the first ten years of its operation; after which the property will be added to the local tax roll and taxed at the value and millages in force at the time. The future value of this exempt property could be subject to significant fluctuation from today's value; however, the District could receive an increase in ad valorem tax revenues once the exemption on this property expires. All applicable agreements have been entered into by the Allen Parish Police Jury and directly affect the District's ad valorem assessments. Because these taxes are not assessed or due, no adjustments have been made to the District's basic financial statements to record a receivable. As of December 31, 2022, \$3,765,330 of assessed property in the District's taxing jurisdiction is receiving this exemption. This resulted in ad valorem tax exemptions amounting to \$41,795 for the maintenance millage.

REQUIRED SUPPLEMENTARY INFORMATION

Allen Parish Fire Protection District No. 6
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Ad valorem taxes	\$ 485,000	\$ 475,000	\$ 482,910	\$ 7,910
Intergovernmental income	10,650	15,000	17,532	2,532
Interest income	3,000	2,000	3,722	1,722
Total Revenues	<u>498,650</u>	<u>492,000</u>	<u>504,164</u>	<u>12,164</u>
Expenditures				
Current:				
Advertising	1,200	1,200	655	545
Automotive	9,000	15,000	6,025	8,975
Bank service charges	100	100	96	4
Contract labor	45,000	45,000	40,216	4,784
Dues and subscriptions	2,500	2,500	4,213	(1,713)
Insurance	32,000	32,000	30,673	1,327
Postage and delivery	250	250	70	180
Professional fees	10,500	9,000	9,921	(921)
Repairs and maintenance	50,000	45,000	45,202	(202)
Supplies	4,000	5,500	4,905	595
Telephone	5,000	5,000	4,920	80
Training	500	1,000	1,759	(759)
Utilities	9,000	9,000	8,436	564
Capital outlay	125,000	550,000	19,117	530,883
Total Expenditures	<u>294,050</u>	<u>720,550</u>	<u>176,208</u>	<u>544,342</u>
Net Change in Fund Balance	204,600	(228,550)	327,956	556,506
<i>Fund Balance at Beginning of Period</i>	1,847,024	1,847,024	1,847,024	--
Fund Balance at End of Period	<u>\$ 2,051,624</u>	<u>\$ 1,618,474</u>	<u>\$ 2,174,980</u>	<u>\$ 556,506</u>

The accompanying notes are an integral part of these financial statements.

OTHER SUPPLEMENTARY INFORMATION

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Schedule of Compensation Paid to Board Members

For the Year Ended December 31, 2022

Randy Deshotel	\$ 210
Harlan Fontenot	300
Andrew Willis	270
Everett Lovejoy	360
Jerrold Wheat	<u>300</u>
 Total Compensation Paid to Board Members	 <u>\$1,440</u>

See accompanying notes.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Schedule of Compensation, Benefits and Other Payments to
Chief Executive Officer

For the Year Ended December 31, 2022

Chief Executive Officer: Jerrod Wheat, President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -0-
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-cell phone	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	300
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

See accompanying notes.

ROYCE T. SCIMEMI, CPA, APAC

CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210

Oberlin, LA 70655

Tele (337) 639-4334, Fax (337) 639-4068

Member
American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

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

Board of Commissioners
Allen Parish Fire Protection District No. 6
Oakdale, 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 only fund of the Allen Parish Fire Protection District No. 6 (the District), as of and for the year ended December 31, 2022, 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 13, 2023.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not 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 certain a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-1 I/C, 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 basic 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 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2022-2 C.

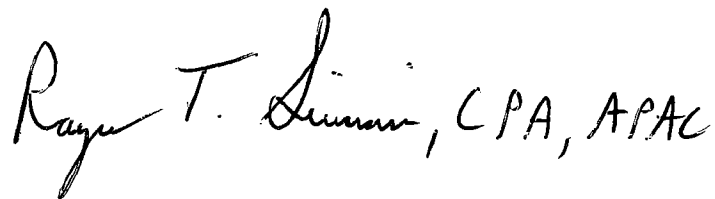
District's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Royce T. Scimemi, CPA, APAC
June 13, 2023

A handwritten signature in black ink that reads "Royce T. Scimemi, CPA, APAC". The signature is written in a cursive style with a large initial 'R'.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

SUMMARY OF FINDINGS AND RESPONSE
For the Year Ended December 31, 2022

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Control deficiencies(s) identified that are not considered to be material weakness(es)? X yes _____
- Noncompliance material to financial statements noted? _____ yes X no

Current Year Findings – Financial Statement Audit:

Finding #2022-1 I/C:

Lack of Documentation for Fuel Purchases

Criteria: Adequate and effective internal control systems require the timely submission of fuel receipts to support purchases of fuel. The District uses fleet services fuel cards for fuel purchases and accounting. The District requires that receipts be obtained for all fuel purchases and submitted to the secretary. The secretary then reconciles the receipts to the monthly "Invoice Transaction Report" to ensure that all fuel purchases are proper. 32 fuel purchases were tested and receipts were located for 26 of them resulting in a 82% compliance rate. This is a repeat finding.

Cause: Inadequate or ineffective internal controls.

Effect: Insufficient documentation for fuel purchases.

Recommendation: Procedures should be implemented to ensure receipts are obtained for all fuel purchases and submitted to the secretary to reconcile the monthly receipts to the monthly billing. A new software system should also be used to review miles per gallon data for comparison purposes.

Response: See Corrective Action Plan

Finding #2022-2 C:

Possible Violation of Article 7, Section 14 of the Louisiana Constitution

Criteria: The constitution requires that no funds, credit, property, or things of value of the political subdivision shall be loaned, pledged, or donated to any person, association, or corporation, public or private. A fireman attending a training course in Texas was reimbursed at both the GSA standard mileage rate \$338.72 (\$.585 per mile time 579 miles) and for the actual fuel cost of \$141.01.

Cause: Inadequate or ineffective internal controls.

Effect: Inaccurate accounting for travel costs and possible \$141.01 over reimbursement.

Recommendation: Procedures should be implemented to ensure travel is only reimbursed under the appropriate GSA standard mileage rate in effect at the time. Since the GSA standard mileage rate accounts for fuel costs, no other charges for fuel should be paid.

Response: See Corrective Action Plan

Findings and Questioned Costs for Federal Awards:

N/A

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

**MANAGEMENT'S CORRECTIVE ACTION PLAN FOR
CURRENT YEAR AUDIT FINDINGS AND
RESPONSES (UNAUDITED)
For the Year Ended December 31, 2022**

Finding #2022-1 I/C:

Lack of Documentation for Fuel Purchases

The District will require that all fuel purchases be supported by receipts. Subsequent to December 31, 2022, the District switched fuel cards to another system that will facilitate reconciling receipts to monthly billings and obtaining miles per gallon data for comparison to previous periods.

Finding #2022-2 C:

Possible Article 7, Section 14 of the Louisiana Constitution

The District will only reimburse appropriate business fuel utilizing the GSA standard mileage rates.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2022

Finding #2021-1 I/C:

Lack of Documentation for Fuel Purchases

The District will require that all fuel purchases be supported by receipts. Subsequent to December 31, 2022, the District switched fuel cards to another system that will facilitate reconciling receipts to monthly billings and obtain miles per gallon data for comparison to previous periods.

Finding #2021-2 I/C:

Inappropriate Compensation for Emergency Services

The District will obtain approval for reimbursement or actual reimbursement from another government agency before compensating firefighters for services performed outside the District in the future.

Finding #2021-3 C:

Louisiana Public Bid Law Compliance

The District is aware of the requirements of the Louisiana Public Bid Law and complied with it during the current year .

ROYCE T. SCIMEMI, CPA, APAC



CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210
405 Tiger Lane
Oberlin, LA 70655
Tele (337) 639-4334, Fax (337) 639-4068

Member
American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners of
Allen Parish Fire Protection District No. 6
and the Louisiana Legislative Auditor

June 13, 2023

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, 2022 through December 31, 2022. The Allen Parish Fire Protection District No. 6's (District's) management is responsible for those C/C areas identified in the SAUPs.

The Allen Parish Fire Protection District No. 6 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, 2022 through December 31, 2022. 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:

1) Written Policies and Procedures

- A.) 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:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
No exceptions were found as a result of this procedure.

- ii. 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.

No exceptions were found as a result of this procedure.

- iii. Disbursements*, including processing, reviewing, and approving.

No exceptions were found as a result of this procedure.

- iv. 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).

No exceptions were found as a result of this procedure.

- v. 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 rates of pay or approval and maintenance of pay rate schedules.

N/A – The District has no employees or payroll.

- vi. Contracting*, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

No exceptions were found as a result of this procedure.

- vii. Travel and Expense Reimbursement*, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exceptions were found as a result of this procedure.

- viii. Credit Cards (and debit cards, fuel cards, purchase 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).

No exceptions were found as a result of this procedure.

- ix. 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.

No exceptions were found as a result of this procedure.

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exceptions were found as a result of this procedure.

- xi. **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.

No exceptions were found as a result of this procedure.

- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions were found as a result of this procedure.

2) Board or Finance Committee

- A.) 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

- i. 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.

The minutes reflected that the managing board met monthly in accordance with enabling legislation. No exceptions were found as a result of this procedure.

- ii. 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 funds. *Alternatively, for those entities reporting on the not-for-profit 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.*

Monthly income statements and bank reconciliations were provided to the board by handout. However, there were no references made to any monthly budget-to-actual comparisons (Exception).

Management Corrective Action: Budget-to-actual comparisons for the general fund will be reviewed and referenced in the minutes monthly.

- iii. 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.

The general fund had a positive ending unrestricted fund balance at the prior year end and no discussion was required. No exceptions were found as a result of this procedure.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

There were no written updates on the progress of the audit findings resolution (Exception). The compliance rate for original receipts for fuel provided went from 75% in 2021 to 82% in 2022. The District did not make any payments to firefighters for services in other parish disasters. The District contracted to purchase 2 tanker trucks in compliance with the Louisiana Procurement Code.

Management Corrective Action: The District has switched fuel usage tracking systems and requires the firefighters to use it. This system can regenerate original invoices at any time. The District will work to eliminate findings so future written updates are not required.

3) Bank Reconciliations

- A.) 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:

- i. 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);

The listing was provided by management. All reconciliations were posted within the two-month time frame as applicable. No exceptions were found as a result of this procedure.

- ii. Bank reconciliations include written evidence that a member of management or a 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

The secretary, who does handle cash, is involved in most transactions associated with all bank accounts including issuing checks, reconciling the bank accounts, and posting activity to the general ledger. No evidence that a board member who does not handle cash or post to the ledger or issue checks reviewed the bank reconciliation for the month selected. (Exception)

Management Corrective Action: A board member will now review all bank reconciliations and document the review with his/her initials.

- iii. 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.

There were multiple checks outstanding for more than 12 months. (Exception)

Management Corrective Action: The board members and the secretary will review all outstanding checks and reissue to those that are still affiliated with the District and send the remainder to Louisiana Unclaimed Property Division.

4) Collections (excluding electronic funds transfers)

- A. 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).

The listing was obtained from management. No exceptions were found as a result of this procedure.

- B. 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 (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then 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

- i. Employees responsible for cash collections do not share cash drawers/registers;

There are no cash drawer collection sites. The only collections come in the form of a check. No exceptions were found as a result of this procedure.

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

One person is responsible for collecting checks and preparing and making bank deposits without another official responsible for reconciling collections to deposits (Exception).

Management Corrective Action: Due to the size of the entity and staff, no changes will be made to the existing internal controls.

- iii. Each employee responsible for collecting cash is not also 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; and

One person is responsible for the collection of checks, depositing checks, and posting to the general ledger (Exception).

Management Corrective Action: Due to the size of the entity and staff, not changes will be made to the existing internal controls.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

One person is responsible for collecting cash and reconciling cash collections to the general ledger by revenue source. (Exception)

Management Corrective Action: Due to the size of the entity and staff, no changes will be made to the existing internal controls.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

No exceptions were found as a result of this procedure.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (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). *Alternatively, 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:

- i. Observe that receipts are sequentially pre-numbered.

No receipts are created for checks received in the mail and there is no requirement to sequentially pre-number this documentation. No exceptions were found as a result of this procedure.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No receipts are created for checks received in the mail. No exceptions were found as a result of this procedure.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

The deposit slip totals on the tested deposits were traced back to the bank statement deposits. No exceptions were found as a result of this procedure.

- iv. Observe that 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).

The tested collections were not deposited within one day of receipt (Exception).

Management Corrective Action: Due to the size of the entity and staff, no changes will be made to the existing internal controls.

- v. Trace the actual deposit per the bank statement to the general ledger.

The tested deposits were traced to the general ledger. No exceptions were found as a result of this procedure.

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

- A. 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).

The listing was provided by management. No exceptions were found as a result of this procedure.

- B. For each location selected under procedure #5A 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, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

The District has no employees. There was no documentation as to who initiated transactions and there were no purchase requests in place. The transactions were approved by the board prior to checks being written. The secretary is the primary responsible party for initiated purchases, placing orders, and recording purchases (Exception), and does have signature authority.

Management Corrective Action: Due to the size of the entity and staff, no changes will be made to the existing internal controls.

- ii. At least two employees are involved in processing and approving payments to vendors;

One designated board member and the secretary are involved in approving payments to vendors by signing checks. No exceptions were found as a result of this procedure.

- iii. 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;

The secretary is the primary responsible party who processes payments and adds vendor files to the District's system. (Exception)

Management Corrective Action: Due to the size of the entity and staff, no changes will be made to the existing internal controls.

- iv. 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; and
Certain authorized board members sign the checks. The secretary then takes the checks to be mailed in most cases (Exception).

Management Corrective Action: Due to the size of the entity and staff, no changes will be made to the existing internal controls.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

There were no electronic disbursements made by the District during the fiscal year. No exceptions were found as a result of this procedure.

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

- C. For each location selected under procedure #5A 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

Management provided the transaction population. No exceptions were found as a result of this procedure.

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

All disbursements matched the original itemized invoices and supporting documentation. No exceptions were found as a result of this procedure.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

There is no evidence of segregation of duties between the person(s) involved in the purchase process during the purchase initiation through the invoice payment (Exception). There is a compensating control in that the checks require two board members' signatures to process payment.

Management Corrective Action: Due to the size of the entity and staff, no changes will be made to the existing internal controls.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by

only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

There were no electronic disbursements made during the fiscal year. No exceptions were found as a result of this procedure.

6) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase 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.

The listing was provided by management. No exceptions were found as a result of this procedure.

- B. 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 (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

The District's only electronic transactions were charges to fuel cards. The monthly statements and supporting documentation reflected that they were reviewed and approved, in writing, by someone other than the authorized card holder. No exceptions were found as a result of this procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.
No finance charges and /or late fees were assessed on the month tested. No exceptions were found as a result of this procedure.

- C. Using the monthly statements or combined statements selected under procedure #7B 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 (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that 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 observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

The District's only electronic transactions were charges to fuel cards. No exceptions were found as a result of this procedure.

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

A. 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 and 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

i. If reimbursed using a per diem, observe that 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);

There was only one travel reimbursement for the fiscal year. The traveler was reimbursed for both the standard mileage rate \$338.72 (\$0.585 per mile times 579 miles) and the actual fuel cost of \$141.01. (Exception).

Management Corrective Action: The board will review travel reimbursements closer to make sure it is abiding by the policies in force.

ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

There was one actual cost reimbursement. It was supported by two itemized receipts. No exceptions were found as a result of this procedure.

iii. Observe that 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 Policies and Procedures procedure #1A(vii); and

There was no documentation of the business purpose. (Exception) There was also no documentation of the person(s) participating in the meals being reimbursed (Exception).

Management Corrective Action: The original receipts will show the business purpose and those participating in meals in the future.

iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Each reimbursement was approved in the form of two authorizing signatures on the checks written that were by someone else other than the persons receiving the reimbursement. No exceptions were found as a result of this procedure.

8) Contracts

- A. 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. *Alternatively, 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
- i. 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;
There was one contract for the future purchase of two tanker trucks that was above the public bid law threshold. It was found to be in compliance with the Louisiana Public Bid Law.
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
The contract was approved by the board. No exceptions were found as a result of this procedure.
 - iii. If the contract was amended (e.g., change order), observe that 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, the documented approval); and
No amendments or changes were made to any contracts tested that were approved during the fiscal year. No exceptions were found as a result of this procedure.
 - iv. 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 that the invoice and related payment agreed to the terms and conditions of the contract.
All payments were in agreement with the supporting invoice and contract terms. No exceptions were found as a result of this procedure.

9) Payroll and Personnel

- A. 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.
The District has no employees. No exceptions were found as a result of this procedure.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
The District has no employees. No exceptions were found as a result of this procedure.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
The District has no employees. No exceptions were found as a result of this procedure.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
The District has no employees. No exceptions were found as a result of this procedure.
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
The District has no employees. No exceptions were found as a result of this procedure.
- C. 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 and 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's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
The District has no employees. No exceptions were found as a result of this procedure.
- D. 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.
The District has no employees. No exceptions were found as a result of this procedure.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

- a. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

The District has no employees. However, 5 board members were tested for compliance. Of the five board members tested, two had completed the one-hour required training during the fiscal year (Exception).

Management Corrective Action: Board members will be accountable to complete the one hour required ethics training each year.

- b. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

No changes to the ethic policies were made during the fiscal year. No exceptions were found as a result of this procedure.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

There has not been an appointed ethics designee (Exception).

Managements Corrective Action: The Board will designate someone to oversee the ethics policy and requirements.

1) Debt Service

- A. 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 that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

The list was provided by management. No exceptions were found as a result of this procedure.

- B. 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).

There was no long-term debt outstanding during 2022. No exceptions were found as a result of this procedure.

2) Fraud Notice

- A. 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 as required by R.S. 24:523.

There was no misappropriation of public funds noted during the fiscal period. No exceptions were found as a result of this procedure.

- B. Observe that 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.

The District had the required notice posted in a conspicuous place upon its premises and it does not maintain a website. No exceptions were found as a result of this procedure.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We have performed the procedure and discussed the results with management.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We have performed the procedure and discussed the results with management.

- iii. 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.

We have performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

The District has no employees. No exceptions were found as a result of this procedure.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

The District has no employees. However, the five board members were tested for compliance. None of the board members tested completed the one-hour of sexual harassment training required during the fiscal year (Exception).

Management Corrective Action: The District will require all board members to supply documentation demonstrating compliance with the sexual harassment training each year in the future.

- B. Observe that 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).

The District did have the required sexual harassment policy or complaint procedure posted on the premises and does not maintain a website. No exceptions were found as a result of this procedure.

- C. 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 that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

The District did not prepare its annual sexual harassment report for the fiscal year (Exception).

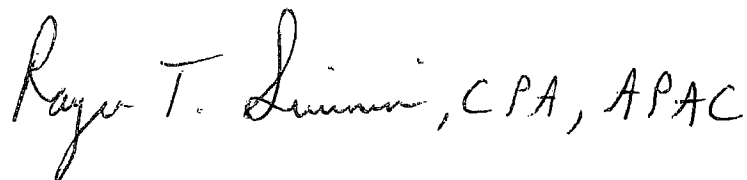
Management Corrective Action: The District will require the secretary to prepare the annual sexual harassment report including delineated in the items i) through v) above for each future year.

We were engaged by the Allen Parish Fire Protection District No. 6 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 Allen Parish Fire Protection District No. 6 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.

Royce T. Scimemi, CPA, APAC
Oberlin, LA

A handwritten signature in black ink that reads "Royce T. Scimemi, CPA, APAC". The signature is written in a cursive style with a large initial 'R' and 'S'.