

**FIRE PROTECTION DISTRICT NO. 4  
OF ALLEN PARISH**

**ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT ACCOUNTANTS' REPORTS**

**Year Ended December 31, 2022**

**ROYCE T. SCIMEMI, CPA, APAC**  
Oberlin, LA

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

**ANNUAL FINANCIAL STATEMENTS  
AND INDEPENDENT ACCOUNTANTS' REPORTS  
Year Ended December 31, 2022**

TABLE OF CONTENTS

	<u>Pages</u>
INDEPENDENT ACCOUNTANTS' REVIEW REPORT	1-2
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of Net Position	5
Statement of Activities	6
FUND FINANCIAL STATEMENTS (FFS)	
Balance Sheet – Governmental Fund	9
Reconciliation of Governmental Fund Balance Sheet with Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Fund	11
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance with Statement of Activities	12
NOTES TO THE FINANCIAL STATEMENTS	13-20
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund: Budgetary Comparison Schedule	22
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Compensation Paid to Board Members	24
Schedule of Compensation, Benefits and Other Payments to Chief Executive Officer	25
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES	26-30
LOUISIANA ATTESTATION QUESTIONNAIRE	31-33
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	34

# 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 ACCOUNTANTS' REVIEW REPORT

May 25, 2023

**Board of Commissioners**  
**Fire Protection District No. 4 of Allen Parish**  
Kinder, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the only fund of Fire Protection District No. 4 of Allen Parish (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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the Financial Statements.** Management is responsible for the preparation and fair presentation of 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 the financial statements that are free from material misstatement whether due to error or fraud.

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

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

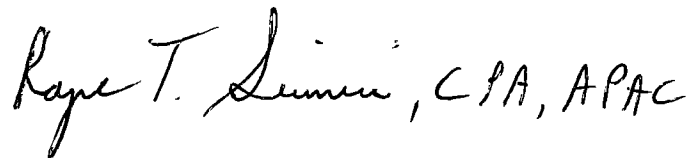
**Required Supplementary Information (RSI).** Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule (on page 22), be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the other supplementary information and do not express an opinion, a conclusion, nor provide any assurance on it.

**Fire Protection District No. 4 of Allen Parish**  
**Independent Accountants' Review Report**  
May 25, 2023  
Page 2 of 2

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.** The accompanying schedule of compensation paid to board members (on page 24) and the schedule of compensation, benefits and other payments to chief executive officer (on page 25) are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the other supplementary information and do not express an opinion, a conclusion, nor provide any assurance on it.

Royce T. Scimemi, CPA, APAC

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'.

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

**Fire Protection District No. 4 of Allen Parish**  
**Statement of Net Position**  
**December 31, 2022**

	<b>Primary Government Governmental Activities</b>
<b>ASSETS</b>	
<i>Current Assets:</i>	
Cash and interest-bearing deposits	\$ 240,416
Ad valorem taxes receivable	153,734
<b>Total Current Assets</b>	<b>394,150</b>
<i>Noncurrent Assets:</i>	
Land	110,050
Capital assets, net	1,115,810
<b>Total Noncurrent Assets</b>	<b>1,225,860</b>
<b>Total Assets</b>	<b>1,620,010</b>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
<i>Aggregated deferred outflows</i>	
<b>Total Deferred Outflows of Resources</b>	<b>--</b>
 <b>LIABILITIES</b>	
<i>Current Liabilities:</i>	
Accounts payable	1,181
Payroll taxes payable	174
<b>Total Current Liabilities</b>	<b>1,355</b>
<i>Noncurrent Liabilities</i>	
<b>Total Liabilities</b>	<b>1,355</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
<i>Aggregated deferred inflows</i>	
<b>Total Deferred Inflows of Resources</b>	<b>--</b>
 <b>NET POSITION</b>	
<i>Invested in capital assets, net of related debt</i>	1,225,860
<i>Unrestricted</i>	392,795
<b>Total Net Position</b>	<b>\$ 1,618,655</b>

See accompanying notes.

**Fire Protection District No. 4 of Allen Parish  
Statement of Activities  
For the Year Ended December 31, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
<b>Primary Government Governmental Activities:</b>					
Fire fighting and rescue	\$ 374,960	\$ --	\$ 44,000	\$ --	\$ (330,960)
<b>Total Governmental Activities</b>	<u>374,960</u>	<u>--</u>	<u>44,000</u>	<u>--</u>	<u>(330,960)</u>
<b>General Revenues:</b>					
					203,801
					850
					13,377
					<u>218,028</u>
					<b>(112,932)</b>
					<u>1,731,587</u>
					<u>\$ 1,618,655</u>

See accompanying notes.



**FUND FINANCIAL STATEMENTS (FFS)**

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

Major Fund Descriptions

**General Fund**

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

**Fire Protection District No. 4 of Allen Parish  
Balance Sheet  
Governmental Fund  
December 31, 2022**

		<u>General Fund</u>
<b>ASSETS</b>		
Cash and interest-bearing deposits	\$	240,416
Ad valorem taxes receivable		153,734
<b>Total Assets</b>		<u>394,150</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Aggregated deferred outflows		--
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$</b>	<b><u>394,150</u></b>
 <b>LIABILITIES</b>		
Accounts payable	\$	1,181
Payroll taxes payable		174
<b>Total Liabilities</b>		<u>1,355</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Aggregated deferred inflows		--
<b>Total Liabilities and Deferred Inflows of Resources</b>		<u>1,355</u>
 <b>FUND BALANCE</b>		
Unassigned		<u>392,795</u>
<b>Total Fund Balance</b>		<u>392,795</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$</b>	<b><u>394,150</u></b>

See accompanying notes.

**Fire Protection District No. 4 of Allen Parish**  
**Reconciliation of Governmental Fund Balance Sheet with the Statement of Net Position**  
**December 31, 2022**

Total Fund Balance - Governmental Fund	\$ 392,795
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.	1,225,860
<b>Total Net Position - Governmental Activities</b>	<b>\$ <u>1,618,655</u></b>

See accompanying notes.

**Fire Protection District No. 4 of Allen Parish**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Fund**  
**For the Year Ended December 31, 2022**

	<b>General Fund</b>
<b>Revenues</b>	
Ad valorem taxes, net	\$ 203,801
Interest	850
Intergovernmental	44,000
Miscellaneous	13,377
<b><i>Total Revenues</i></b>	<b>262,028</b>
 <b>Expenditures</b>	
Current:	
Advertising	1,351
Board compensation	1,230
Election expense	7,930
Fuel	10,555
Insurance	46,268
Office supplies	4,214
Payroll taxes	1,084
Professional fees	8,355
Rent	240
Repairs and maintenance	77,838
Secretary fees	11,000
Training	199
Travel	124
Uniforms	4,188
Utilities	11,579
Capital outlay	132,069
<b><i>Total Expenditures</i></b>	<b>318,224</b>
 <b><i>Net Change in Fund Balance</i></b>	 <b>(56,196)</b>
<i>Fund Balance at Beginning of Period</i>	448,991
<b><i>Fund Balance at End of Period</i></b>	<b>\$ 392,795</b>

See accompanying notes.

**Fire Protection District No. 4 of Allen Parish**  
**Reconciliation of Governmental Fund Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance with Statement of Activities**  
**For the Year Ended December 31, 2022**

	<b>General Fund</b>
Total Net Change in Fund Balance - Governmental Fund	\$ (56,196)
Fixed assets are expensed as capital outlay in governmental fund statements, but capitalized as fixed assets in Statement of Net Position.	132,069
Depreciation expense reflected in entity-wide statements, but not reflected in governmental fund statements.	(188,805)
<b>Changes in Net Position - Governmental Activities</b>	<b>\$ <u>(112,932)</u></b>

See accompanying notes.

## FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH

Notes to the Financial Statements  
December 31, 2022

### INTRODUCTION

Fire Protection District No. 4 of Allen Parish was created under the provisions of Louisiana Revised Statutes 40:1491-1510 for the purpose of providing fire protection for the citizens of District 4 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 Fire Protection District No. 4 of Allen Parish 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 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 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 financial statements present information only on the funds

## FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH

Notes to the Financial Statements (Continued)  
December 31, 2022

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

maintained by the District and do not present any information on the Allen Parish Police Jury, the general government services provided by the police jury, or the other governmental units that comprise the police jury. The District itself has no component units.

#### 2. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with GAAP, with the exception of complying with the requirement to present the 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 include all the financial activities of the District. The sole function of the District is fire-fighting and rescue.

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. 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 District's sole fund 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 Type:

##### 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 financial statements.



## FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH

Notes to the Financial Statements (Continued)  
December 31, 2022

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide statement of net position and statement of 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 (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 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. Property taxes not paid by the end of February are subject to lien. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Those revenues susceptible to accrual are property taxes, intergovernmental revenue, grants, and interest.

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

Notes to the Financial Statements (Continued)  
December 31, 2022

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Expenditures**

In the fund financial statements, expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Capital expenditures are regarded as expenditures at the time of purchase.

**4. Deposits**

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits as well as those investments with a maturity date of 90 days or less. Louisiana Revised Statute 33:2955 authorizes the District to invest in obligations of the U.S. Treasury or U.S. government agencies, time certificates of deposit of any banks that are domiciled or have a branch office in 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.

These deposits are stated at cost, which approximates market.

**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. 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 applicable appropriations, is not employed by the District as an extension of formal budgetary integration in the funds.

**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 December 15 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 and adopts the budget before the end of the fiscal year preceding the budget year. Any changes in the budget must be within the revenues and reserves estimated. The budget for 2022 consists of the original budget adopted December 16, 2021, which was amended once. The amendment was adopted on December 13, 2022.

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

Notes to the Financial Statements (Continued)  
December 31, 2022

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**8. 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	30 Years
Equipment	5-20 Years
Vehicles	10-20 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.

**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 the definition of “restricted” or “invested in capital assets, net of related debt”.

When an expenditure is incurred for which both restricted and unrestricted net position is available, the District’s policy is to consider the restricted funds as having been spent first.

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

- a. *Nonspendable* – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

## FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH

Notes to the Financial Statements (Continued)  
December 31, 2022

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- 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 laws or regulations of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Board. The Board 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.

When an expenditure is incurred for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure has been incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

#### 10. Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

#### 11. Long-Term Debt

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

Long-term debts for governmental funds are 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.

#### 12. Subsequent Events

Management has evaluated subsequent events through May 25, 2023, the date the financial statements were available to be issued.

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

Notes to the Financial Statements (Continued)  
December 31, 2022

**NOTE B – CASH AND INTEREST BEARING DEPOSITS**

As of December 31, 2021, the District had cash and interest-bearing deposits (book balances) totaling \$240,416. 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. 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. At December 31, 2022, the District had \$326,503 in deposits (collected bank balances) secured as follows:

Federal deposit insurance	\$ 257,338
Pledged securities (Category 3)	<u>69,165</u>
Total	<u>\$ 326,503</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 after 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 7.1 mills were levied on property with taxable assessed valuations totaling \$29,814,291 and were dedicated as follows:

Maintenance millage expiring December 31, 2032	7.1 mills
------------------------------------------------	-----------

Total taxes levied were \$211,681. Total taxes collected were \$196,373.

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 15<sup>th</sup> of the current year, and become delinquent after December 31<sup>st</sup>. Property taxes not paid by the end of February are subject to lien.

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

Notes to the Financial Statements (Continued)  
December 31, 2022

**NOTE D – CAPITAL ASSETS**

A summary of changes in capital assets follows:

	12/31/21			12/31/22
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Capital assets not being depreciated:				
Land	\$ 110,050	\$ -	\$ -	\$ 110,050
Other capital assets:				
Buildings	1,005,708	31,005	-	1,036,713
Equipment	667,459	101,064	24,486	744,037
Vehicles	<u>2,450,121</u>	-	-	<u>2,450,121</u>
Total	4,233,338	132,069	24,486	4,340,921
Less: accumulated depreciation:				
Buildings	473,578	40,220	-	513,798
Equipment	402,255	60,493	24,486	438,262
Vehicles	<u>2,074,909</u>	<u>88,092</u>	-	<u>2,163,001</u>
Total	<u>2,950,742</u>	<u>188,805</u>	<u>24,486</u>	<u>3,115,061</u>
Net capital assets	<u>\$1,282,596</u>	<u>\$ (56,736)</u>	<u>\$ -</u>	<u>\$1,225,860</u>

Depreciation expense in the amount of \$188,805 was charged to fire-fighting and rescue in 2022. New assets consisted of parking lot resurfacing and radio equipment.

**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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Fire Protection District No. 4 of Allen Parish**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
<b>Revenues:</b>				
Ad valorem taxes, net	\$ 180,000	\$ 180,000	\$ 203,801	\$ 23,801
Interest	400	400	850	450
Intergovernmental	20,500	20,500	44,000	23,500
Miscellaneous	1,501	1,501	13,377	11,876
<b>Total Revenues</b>	<b>202,401</b>	<b>202,401</b>	<b>262,028</b>	<b>59,627</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Advertising	1,000	1,500	1,351	149
Board compensation	--	--	1,230	(1,230)
Dues	1,000	1,000	--	1,000
Election expense	--	--	7,930	(7,930)
Fuel	7,500	12,000	10,555	1,445
Insurance	40,200	48,000	46,268	1,732
Miscellaneous	10,000	10,000	--	10,000
Office supplies	3,500	4,000	4,214	(214)
Payroll taxes	4,000	--	1,084	(1,084)
Professional fees	8,500	8,500	8,355	145
Rent	500	500	240	260
Repairs and maintenance	83,000	117,000	77,838	39,162
Secretary fees	44,000	44,000	11,000	33,000
Training	1,000	1,000	199	801
Travel	250	500	124	376
Uniforms	500	5,000	4,188	812
Utilities	13,500	13,500	11,579	1,921
Capital outlay	10,000	100,000	132,069	(32,069)
<b>Total Expenditures</b>	<b>228,450</b>	<b>366,500</b>	<b>318,224</b>	<b>48,276</b>
<b>Net Change in Fund Balance</b>	<b>(26,049)</b>	<b>(164,099)</b>	<b>(56,196)</b>	<b>107,903</b>
<i>Fund Balance at Beginning of Period</i>	448,991	448,991	448,991	--
<b>Fund Balance at End of Period</b>	<b>\$ 422,942</b>	<b>\$ 284,892</b>	<b>\$ 392,795</b>	<b>\$ 107,903</b>

See accompanying notes.



**OTHER SUPPLEMENTARY INFORMATION**

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

Schedule of Compensation Paid to Board Members

Year Ended December 31, 2022

Voorhies Leger	\$ 330
Mike Smith	240
Robert Kibodeaux	390
Eric Kuyper	<u>270</u>
Total Compensation Paid to Board Members	<u>\$1,230</u>

See accompanying notes.

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

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

Year Ended December 31, 2022

Chief Executive Officer: Jacob LaCour, Interim Fire Chief

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 1,833
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-cell phone	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	-0-
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-
Other -- Dues	-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 ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

May 25, 2023

**Board of Commissioners**  
**Fire Protection District No. 4 of Allen Parish**  
Kinder, Louisiana

We have performed the procedures enumerated below on the Fire Protection District No. 4 of Allen Parish's (the "District") compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2022, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the District's compliance with the laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2022. Additionally, the Louisiana Legislative Auditor 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:

### *Public Bid Law*

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code); R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

There was expenditure made during the year for materials and supplies exceeding \$30,000. We examined documentation that indicated these expenditures had been made under state contract and were therefore, in accordance with the provisions of the applicable statutes.

*Code of Ethics for Public Officials and Public Employees*

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

Management provided us with the requested information.

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

Management provided us with the requested information.

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

None of the employees included on the list of employees provided by management for agreed-upon procedure (3) appeared on the list provided by management in agreed-upon procedure (2) as immediate family members.

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

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

*Budgeting*

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

Management provided us with a copy of the original and amended budgets. Management represented that there was one amendment to the budget during the year.

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

We traced the adoption of the original budget to the minutes of the board meeting held on December 16, 2021, which indicated that the commissioners had adopted the budget unanimously. We traced the adoption of the amended budget to the minutes of a meeting held on December 13, 2022, which indicated that the commissioners had adopted the budget unanimously.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Budgeted revenues did not exceed actual revenues by 5% or more. Actual expenditures did not exceed budgeted expenditures by 5% or more.

*Accounting and Reporting*

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

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

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

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

Each of the payments were properly coded to the correct fund and general ledger account.

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

Each of the payments received proper approvals without exception.

*Meetings*

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

Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office with such posting to be at least 24 hours in advance of the meeting. We found no evidence of compliance.

*Debt*

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

We scanned copies of all bank deposits for the fiscal year, and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

*Advances and Bonuses*

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

We scanned payroll disbursements and read the minutes of the District's board meetings for the fiscal year. We found no payments or approval of payments to employees that would constitute bonuses, advances, or gifts.

*State Audit Law*

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

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

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

The agency was in compliance with R.S. 24:513. Management represented that the District entered into no contracts during the fiscal year that were subject to the public bid law with the exception of a purchase under state contract and listed in number 1 of this report.

*Prior Comments and Recommendations*

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

Our prior year report, dated June 23, 2022, included one comment concerning inadequate segregation of duties. Inadequate segregation of duties is unavoidable in a small District.

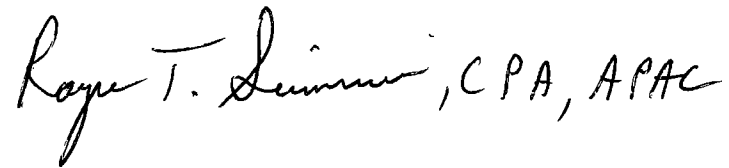
We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government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

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

Fire Protection District No. 4 of Allen Parish  
Independent Accountants' Report on Applying Agreed-Upon Procedures  
May 25, 2023  
Page 5

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

Royce T. Scimemi, CPA, APAC

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'.



ALLEN PARISH FIRE PROTECTION DISTRICT NO. 4

Kinder, Allen Parish, Louisiana

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Governmental Agencies)**

April 27, 2023

(Date Transmitted)

Royce T. Scimemi, CPA, APAC  
Attention: Mr. Royce T. Scimemi  
Post Office Box 210  
Oberlin, LA 70655

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2022 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Public Bid Law**

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office

Yes  No [ ] N/A [ ]

**Code of Ethics for Public Officials and Public Employees**

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

Yes  No [ ] N/A [ ]

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

Yes  No [ ] N/A [ ]

**Budgeting**

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

Yes  No [ ] N/A [ ]

**Accounting and Reporting**

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

Yes  No [ ] N/A [ ]

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

Yes  No [ ] N/A [ ]

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

Yes  No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [] No [ ] N/A [ ]

### Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [] No [ ] N/A [ ]

### Debt

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

Yes [] No [ ] N/A [ ]

### Advances and Bonuses

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

Yes [] No [ ] N/A [ ]

### Prior-Year Comments

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

Yes [] No [ ] N/A [ ]

### General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No [ ] N/A [ ]

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes [] No [ ] N/A [ ]

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

Yes [] No [ ] N/A [ ]

We have provided you with all relevant information and access under the terms of our agreement.

Yes [] No [ ] N/A [ ]

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

Yes  No [ ] N/A [ ]

We are not aware of any material misstatements in the information we have provided to you.

Yes  No [ ] N/A [ ]

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes  No [ ] N/A [ ]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes  No [ ] N/A [ ]

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

<u>Tom L Markway</u>	Secretary	<u>04/26/2023</u>	Date
<u>Tom L Markway</u>	Treasurer	<u>04/26/2023</u>	Date
<u>Ma L Kelly</u>	President	<u>04/27/2023</u>	Date

**FIRE PROTECTION DISTRICT NO. 4 OF ALLEN PARISH**

Schedule of Findings and Responses

Year Ended December 31, 2022

1. Summary of Accountants' Results:

- a) Accountants issued a review report on the financial statements.
- b) The attestation procedures yielded no evidence of noncompliance.

2. Findings Related to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

**Findings – Financial Statement Review**

*Finding #2022-1 I/C:*

*Inadequate Segregation of Duties*

Criteria: Because of the lack of a large staff, more specifically accounting personnel, there is insufficient segregation of duties necessary for proper controls. We do note that this situation is inherent in most entities of this type and is difficult to resolve due to the funding limitations of the District. This was also a prior year finding.

Cause: Lack of a large staff.

Effect: Possible inadequate segregation of duties.

Recommendation: The board continue to take an active interest in the review of all of the financial information.

Response: The District will not change staff levels.

3. Findings and Questioned Costs for Federal Awards:

N/A