

**TANGIPAOA PARISH FIRE PROTECTION
DISTRICT NO. 1
AMITE, LOUISIANA**

ANNUAL FINANCIAL STATEMENT
AS OF AND FOR THE
YEAR ENDED DECEMBER 31, 2020

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Annual Financial Statements

As of and for the Year Ended December 31, 2020
With Supplementary Information Schedules

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**Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana**

Annual Financial Statements

As of and for the Year Ended December 31, 2020
With Supplementary Information Schedules

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Independent Auditor's Report

Mr. E. Ray Glasgow, Chairman, and
Members of the Board of Commissioners
Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of Tangipahoa Parish Fire Protection District No. 1, a component unit of the Tangipahoa Parish Council, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of Tangipahoa Parish Fire Protection District No. 1, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 10 and 35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fire District's basic financial statements. The schedule of compensation paid board of commissioners – schedule 2, and the schedule of compensation, benefits, and other payments to agency head or chief executive officer – schedule 3, listed as other supplementary information in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Fire District. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedules 2 and 3 and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules 2 and 3 and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

The list of insurance policies in force marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2022, on our consideration of the Tangipahoa Parish Fire Protection District No. 1's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Fire District's internal control over financial reporting and compliance.



May 30, 2022
Metairie, Louisiana

Management's Discussion and Analysis

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Management's Discussion and Analysis

December 31, 2020

As management of the Tangipahoa Parish Fire Protection District No. 1, Amite, Louisiana (the "Fire District"), we offer readers of the Fire District's financial statements this narrative overview and analysis of the financial activities of the Fire District for the fiscal year ended December 31, 2020. This management discussion and analysis ("MD&A") is designed to provide an objective and easy to read analysis of the Fire District's financial activities based on currently known facts, decisions, or conditions. It is intended to provide readers with a broad overview of the Fire District's finances. It is also intended to provide readers with an analysis of the Fire District's short-term and long-term activities based on information presented in the financial report and fiscal policies that have been adopted by the Fire District. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Fire District's financial activity, identify changes in the Fire District's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this MD&A.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Fire District's financial statements. The Fire District's basic financial statements consist of the following components:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements
4. Other Supplementary Information, which is in addition to the basic financial statements themselves.

1. Government-Wide Financial Statements

Government-Wide financial statements are designed by GASB Statement No. 34 to change the way in which government financial statements are presented. It now provides readers for the first time a concise "entity-wide" Statement of Net Position and Statement of Activities, seeking to give the user of the financial statements a broad overview of the Fire District's financial position and results of operations in a manner similar to a private-sector business.

- A. The *Statement of Net Position* presents information on all of the Fire District's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The difference between the assets and liabilities is reported as Net Position. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the Fire District is improving or weakening.
- B. The *Statement of Activities* presents information showing how the Fire District's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes or fees).

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Management's Discussion and Analysis

December 31, 2020

Government-Wide Financial Analysis

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the Fire District's Net Position for the current year as compared to the prior year. For a more detailed analysis, see the Statement of Net Position on Statement A of this report.

	<u>Government Activities</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>2020</u>	<u>2019</u>		
Assets:				
Current and Other Assets	\$ 4,608,043	\$ 3,264,431	\$ 1,343,612	41.16%
Capital Assets	<u>2,377,429</u>	<u>2,436,027</u>	<u>(58,598)</u>	-2.41%
Total Assets	<u>\$ 6,985,472</u>	<u>\$ 5,700,458</u>	<u>\$ 1,285,014</u>	22.54%
Liabilities:				
Current Liabilities	\$ 138,331	\$ 126,735	\$ 11,596	9.15%
Long-term Liabilities	<u>563,778</u>	<u>575,797</u>	<u>(12,019)</u>	-2.09%
Total Liabilities	<u>\$ 702,109</u>	<u>\$ 702,532</u>	<u>\$ (423)</u>	-0.06%
Net Position:				
Net Investment in Capital Assets	\$ 1,801,378	\$ 1,848,947	\$ (47,569)	-2.57%
Restricted	35,776	35,776	-	0.00%
Unrestricted	<u>4,446,209</u>	<u>3,113,203</u>	<u>1,333,006</u>	42.82%
Total Net Position	<u>\$ 6,283,363</u>	<u>\$ 4,997,926</u>	<u>\$ 1,285,437</u>	25.72%

A portion of the Fire District's Net Position reflects its investment in capital assets (e.g., equipment, furniture, etc.), less any related debt used to acquire those assets that is still outstanding. The Fire District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

A portion of the Fire District's Net Position is restricted for debt service. The remaining balance of unrestricted Net Position (or \$4,446,209) may be used to meet the Fire District's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Fire District is able to report positive balances in both categories of Net Position. The same situation held true for the prior fiscal year.

To further understand what makes up the changes in Net Position, the following table provides a summary of the results of the Fire District's operating activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For a more detailed analysis, see the Statement of Activities on Statement B of this report.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Management's Discussion and Analysis

December 31, 2020

	<u>Government Activities</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>2020</u>	<u>2019</u>		
Revenues:				
Program Revenues:				
Grants and Contributions	\$ 828,060	\$ -	\$ 828,060	100.00%
General Revenues:				
Ad Valorem Taxes	586,377	594,635	(8,258)	-1.39%
Sales Tax Revenue	1,178,644	1,001,665	176,979	17.67%
Other Revenues	<u>643,074</u>	<u>607,400</u>	<u>35,674</u>	5.87%
Total Revenues	<u>\$ 3,236,155</u>	<u>\$ 2,203,700</u>	<u>\$ 1,032,455</u>	46.85%
Expenses:				
Operations	\$ (1,769,663)	\$ (1,703,981)	\$ 65,682	3.85%
Debt Service-Interest	(24,034)	(24,530)	(496)	-2.02%
Depreciation	<u>(157,021)</u>	<u>(145,845)</u>	<u>11,176</u>	7.66%
Total Expenses	<u>\$ (1,950,718)</u>	<u>\$ (1,874,356)</u>	<u>\$ 76,362</u>	4.07%
Changes in Net Position	\$ 1,285,437	\$ 329,344	\$ 956,093	290.30%
Net Position, Beginning of Year	<u>\$ 4,997,926</u>	<u>\$ 4,668,582</u>	<u>\$ 329,344</u>	<u>7.05%</u>
Net Position, End of Year	<u>\$ 6,283,363</u>	<u>\$ 4,997,926</u>	<u>\$ 1,285,437</u>	25.72%

Grants and Contributions increased due to pass through federal award of the CARES Act.

The Fire District's revenue from ad valorem taxes decreased by \$8,258 or 1.39%. Sales tax revenue increased by \$176,979 or 17.67%. Other revenues increased by \$35,674 or 5.87%.

Operations expenses increased largely due to an increase in insurance, which increased by \$96,657. This increase is due to reclassifying worker's compensation insurance dividends to Other Revenues (instead of offsetting with expenses), and a decrease in dividends of \$54,085, compared to 2019.

Depreciation expense increased by \$11,176 or 7.66%.

Governmental Activities

The Governmental Activities of the District include General Government. Ad valorem taxes (23.68%) and sales taxes (49.76%) fund these governmental activities.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Management's Discussion and Analysis

December 31, 2020

Here we show the Fire District's expenditures related to those functions typically associated with governments:

	Amount	Percentage
Public Safety - Fire	\$ 1,769,663	92.95%
Capital Outlay	98,423	5.17%
Debt Service	35,776	1.88%
Total Governmental Activities	\$ 1,903,862	100.00%

General revenues are those available for the Fire District to use to pay for the governmental activities described above. The following chart shows the Fire District's general revenues.

	Amount	Percentage
Ad Valorem Taxes	\$ 560,799	23.68%
State Revenue Sharing	24,438	1.03%
Fire Insurance Rebate	48,210	2.04%
Fire District No. 2	67,860	2.86%
Sales Tax Revenue	1,178,644	49.76%
State Supplemental Pay	123,112	5.19%
City Sales Tax Appropriation	320,000	13.51%
Other Revenues	45,609	1.93%
Total General Revenues	\$ 2,368,672	100.00%

Sales taxes are the largest source of revenue for the Fire District, comprising 49.76% of governmental revenue. Ad valorem taxes are another large source of revenue, comprising 23.68% of governmental revenue. For the year ended December 31, 2020, taxes of 15 mills were levied on property inside of the Fire District's limits. The Fire District's taxable assessed valuations increased \$354,352 from \$39,706,573 to \$40,060,925.

2. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Fire District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Fire District consist of one category: governmental funds.

A. Governmental funds are used to account for most of the Fire District's basic services reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Fire District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Fire District's programs.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Management's Discussion and Analysis

December 31, 2020

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for government funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are located on pages 15 and 17.

The Fire District maintains one governmental fund, the General Fund. Information is presented for this fund on Statements C and E of this report.

Financial Analysis of the Governmental Funds

As of the end of the current fiscal year, the General Fund reported an ending fund balance of \$4,417,605.

The Fire District retains a reasonable surplus in the General Fund for unforeseen future emergencies such as natural disasters, decrease in economic conditions, emergency capital outlay requirements, and other similar conditions.

3. Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on the pages indicated in the table of contents.

4. Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found in Schedule 1 of this report.

A. Budgetary Comparison Schedule – The Fire District adopts an annual appropriated budget for the General Fund. Budgetary comparison statements have been provided for this fund to demonstrate compliance with this budget in Schedule 1.

B. Analysis of Significant Budget Variances in the Fire District's General Fund:

1. Revenues:

- a. The amount budgeted for ad valorem tax revenue was under-budgeted due to an increase in valuations.
- b. The amount budgeted for sales tax revenue was under-budgeted. This was the result of an increase in sales tax collections as compared to the previous year.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Management's Discussion and Analysis

December 31, 2020

2. Expenditures:

- a. Salaries and related benefits were over-budgeted due to changes in personnel, which reduced estimated salaries.

Capital Assets

The Fire District's net investment in capital assets for its governmental activities as of December 31, 2020, amounts to \$2,377,429 (net of accumulated depreciation). This investment in capital assets includes land, improvements, and equipment. The total decrease in the Fire District's investment in capital assets for 2020 was \$58,598 or 2.4%, mainly due to the acquisition of equipment and depreciation expense.

Major capital additions during the current fiscal year include equipment purchased at a cost of \$98,423.

Additional information on the Fire District's capital assets can be found in Note 5 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Fire District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mrs. Agnes Prevost, Post Office Box 279, Amite, Louisiana, 70422.

Financial Statements

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Statement A

Statement of Net Position

December 31, 2020

Assets

Cash and Cash Equivalents	\$ 3,732,232
Receivables:	
Ad Valorem Tax (Net of Allowances for Uncollectibles)	586,170
State Revenue Sharing	24,282
Tangipahoa Fire District No. 2	18,042
Sales Taxes	202,901
Prepaid Expense	44,416
Net Investment in Capital Assets	<u>2,377,429</u>
Total Assets	<u>6,985,472</u>

Liabilities

Accounts Payable	52,989
Accrued Interest Payable	9,570
Sheriff's Pension Fund Payable	22,613
Accounts Payable Payroll Liabilities	40,885
Long-term Liabilities - USDA Loan	
Due within one year	12,274
Due after one year	<u>563,778</u>
Total Liabilities	<u>702,109</u>

Net Position

Net Investment in Capital Assets	1,801,378
Restricted	35,776
Unrestricted	<u>4,446,209</u>
Total Net Position	<u>\$ 6,283,363</u>

The accompanying notes are an integral part of these statements.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Statement B

Statement of Activities

For the Year Ended December 31, 2020

Salaries and Related Benefits	\$ (1,341,075)
Salaries - Supplemental Pay	(123,112)
Compensation Paid Board Members	(1,410)
Sheriff's Pension Fund	(22,613)
Employee Medical and Training	(8,161)
Insurance	(126,066)
911 Dispatch	(7,436)
Operating Supplies	(46,729)
Professional Fees	(17,280)
Repairs and Maintenance	(37,224)
Telephone and Utilities	(29,042)
Other	(9,515)
Depreciation	(157,021)
Interest	<u>(24,034)</u>
Total Expenditures	(1,950,718)
 Program Revenues	
Grants and Contributions	<u>828,060</u>
Net Program Revenues (Expenses)	<u>(1,122,658)</u>
 General Revenues	
Ad Valorem Taxes	586,377
Sales Tax Revenue	1,178,644
State Revenue Sharing	24,282
City Sales Tax Appropriation	320,000
Fire Insurance Rebate	48,210
Fire District No. 2	67,860
State Supplemental Pay	123,112
Interest Income	14,001
Other Revenues	<u>45,609</u>
Total General Revenues	<u>2,408,095</u>
 Change In Net Position	 1,285,437
 Net Position	
Beginning of the year	<u>4,997,926</u>
End of the year	<u>\$ 6,283,363</u>

The accompanying notes are an integral part of these statements.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Statement C

Balance Sheet – Governmental Fund

December 31, 2020

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 3,732,232
Receivables:	
Ad Valorem Tax (Net of Allowances for Uncollectibles)	586,170
State Revenue Sharing	24,282
Tangipahoa Fire District No. 2	18,042
Sales Taxes	202,901
Prepaid expenses	<u>44,416</u>
Total Assets	<u>\$ 4,608,043</u>
Liabilities	
Accounts payable	\$ 52,989
Accrued Interest Payable	8,344
Sheriff's Pension Fund Payable	22,613
Accounts Payable Payroll Liabilities	<u>40,885</u>
Total Liabilities	<u>124,831</u>
Deferred Inflows of Resources	
Deferred Ad Valorem Tax and Revenue Sharing	<u>65,607</u>
Fund Balance / Net Position	
Fund Balance	
Nonspendable - Prepaid Items	44,416
Restricted	35,776
Assigned	15,261
Unassigned	<u>4,322,152</u>
Total Fund Balance	<u>4,417,605</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 4,608,043</u>

The accompanying notes are an integral part of these statements.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Statement D

Reconciliation Of The Governmental Fund Balance Sheet
To The Government-Wide Statement Of Net Position

December 31, 2020

Total Fund Balances, Governmental Fund \$ 4,417,605

Amounts reported for governmental activities in the
statement of net position are different because:

Capital assets used in governmental activities are not
financial resources and therefore are not reported in
the funds. The assets consist of:

Governmental capital assets, net of accumulated depreciation 2,377,429

Long-term liabilities are not due and payable in the current period,
and therefore are not reported in the governmental funds:

USDA Loan payable (576,052)
Changes in accrued interest payable (1,226)

Deferred outflows and inflows are not financial
resources or currently payable:

Deferred inflows 65,607

Total Net Position, Governmental Activities \$ 6,283,363

The accompanying notes are an integral part of these statements.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Statement E

Statement Of Revenues, Expenditures, And Changes In Fund Balances
 Governmental Fund

For the Year Ended December 31, 2020

	<u>General Fund</u>
Revenues	
Ad Valorem Taxes	\$ 560,799
Sales Tax Revenue	1,178,644
State Revenue Sharing	24,438
City Sales Tax Appropriation	320,000
Fire Insurance Rebate	48,210
Fire District No. 2	67,860
State Supplemental Pay	123,112
Interest Income	14,001
Grants and Contributions	828,060
Other Revenues	45,609
Total Revenues	3,210,733
Expenditures	
Salaries and Related Benefits	1,341,075
Salaries - Supplemental Pay	123,112
Compensation Paid Board Members	1,410
Sheriff's Pension Fund	22,613
Employee Medical and Training	8,161
Insurance	126,066
911 Dispatch	7,436
Operating Supplies	46,729
Professional Fees	17,280
Repairs and Maintenance	37,224
Telephone and Utilities	29,042
Other	9,515
Capital Outlay	98,423
Debt Service:	
Principal	11,028
Interest	24,748
Total Expenditures	1,903,862
Excess Of Revenues Over Expenditures	1,306,871
Other Financing Sources (Uses)	-
Net Change In Fund Balance	1,306,871
Fund Balances At Beginning Of Year	3,110,734
Fund Balances At End Of Year	\$ 4,417,605

The accompanying notes are an integral part of these statements.

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Statement F

Reconciliation Of The Statement Of Revenues, Expenditures,
 And Changes In Fund Balances Of Governmental Fund
 To The Government-Wide Statement of Activities

For the Year Ended December 31, 2020

Total Net Change In Fund Balances, Governmental Fund \$ 1,306,871

Amounts reported for governmental activities in the statement
 of activities are different because:

Capital outlays are reported in governmental funds as
 expenditures. However, in the statement of activities,
 the cost of these assets is allocated over their estimated
 useful lives as depreciation expense. These differences
 consist of:

Capital outlay	98,423	
Depreciation expense	<u>(157,021)</u>	(58,598)

Revenues in the statement of activities that do not provide
 current financial resources are not reported as revenues in
 the governmental funds, but rather are deferred to
 subsequent fiscal years.

Change in unavailable revenues related to receivables	25,422
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The issuance of long-term debt provides current financial
 resources to governmental funds, while the repayment of
 the principal of the long-term debt consumes current
 financial resources of governmental funds.

Principal payments	11,028
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Some expenses reported in the statement of activities do
 not require use of current financial resources and are
 not reported as expenditures in the governmental funds.

Change in accrued interest	<u>714</u>
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Change In Net Position, Governmental Activities	<u>\$ 1,285,437</u>
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The accompanying notes are an integral part of these statements.

Tangipahoa Parish Fire Protection District No. 1
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Notes to the Financial Statements
As of and for the Year Ended December 31, 2020

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Tangipahoa Parish Fire Protection District No. 1

Amite, Louisiana

Notes to the Financial Statements
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Introduction

The Tangipahoa Parish Fire Protection District No. 1 (hereinafter referred to as the "Fire District") was created by the Tangipahoa Parish Council as authorized by Act 194 of the 1942 Regular Session of the Louisiana Legislature. The Fire District was created for the purpose of acquiring, maintaining, and operating buildings, machinery, equipment, water tanks, water hydrants and waterlines, and other things necessary to provide proper fire prevention and control of the property within the Fire District. The boundaries of the Fire District encompass and provide fire protection to approximately 11,200 residents. The Fire District is governed by a board of commissioners consisting of five members who are resident taxpayers of the Fire District. These five commissioners are referred to as the Board of Commissioners. Two members are appointed by the Tangipahoa Parish Council and two members are appointed by the Town of Amite, the municipal corporation located within the Fire District. The fifth board member is selected by the other four board members and serves as chairman. The members serve terms of two years. Vacancies are filled by the bodies making the original appointments.

At the present time, the Fire District employs a total of twenty-six (23) employees to include a fire chief, secretary, and twenty-one (21) full and part time firefighters. The Fire District maintains an office, two fire stations in Amite, Louisiana, and substations in Velma, Louisiana and Arcola, Louisiana.

1. Summary of Significant Accounting Policies

A. 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. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs.

B. Financial Reporting Entity

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

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

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

Because the parish council appoints two board members and has approval over their taxing authority, the Fire District was determined to be a component unit of the Tangipahoa Parish Council, the financial reporting entity. The accompanying financial statements present information only on the fund maintained by the Fire District and do not present information on the parish council, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The Fire District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Funds of the Fire District are classified as follows:

Governmental Fund

General Fund – The General Fund is the general operating fund of the Fire District. It is used to account or all financial resources except those required to be accounted for in another fund.

D. Basis of Accounting

The amounts reflected in the Governmental Funds of Statements C and E, 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 balances 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 Fire District operations.

The amounts reflected in the Governmental Funds of Statements C and E use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurement means the amount of the transaction can be determined and available means collectible within the current period or soon enough

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thereafter to pay liabilities of the current period. The Fire 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 interest and principal payments on general long-term debt which is 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 and related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Sales taxes are recorded in the year in which they are assessed and become due and payable. Interest income represents amounts earned on checking accounts and certificates of deposit invested with financial institutions. Interest earned on checking accounts and certificates of deposit is recorded when earned. Contractual and similar revenue is recognized using modified accrual basis, and nearly all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long-term debt, which are not recognized until due.

E. Government-Wide Financial Statements

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the Fire District as a whole. These statements include all the financial activities of the Fire District. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

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Reconciliation:

The reconciliation of the items reflected in the fund financial statements to the Statement of Net Position (Statement A) and the Statement of Activities (Statement B) for the year ended December 31, 2020 is as follows:

Statement A	
Record Net Capital Assets	\$ 2,377,429
Long Term Debt	(576,052)
Changes in accrued interest payable	(1,226)
Deferred Inflows of Resources	<u>65,607</u>
Net Effect of Changes	<u>\$ 1,865,758</u>

Statement B	
Capitalization of Capital Assets	\$ 98,423
Record Principal Payments	11,028
Changes in accrued interest payable	714
Record Depreciation Expense on Capital Assets	(157,021)
Net Effect of Differences in Deferred Inflows of Resources	<u>25,422</u>
Net Effect of Changes	<u>\$ (21,434)</u>

F. Budgets

The Fire District uses the following budgetary practices in accordance with provisions of Louisiana R.S. 39:1301-1315:

1. The Fire District prepares a budget on the cash basis of accounting. The Fire District adopted a budget for the General Fund for 2020.
2. The Fire District's secretary and fire chief prepare the proposed budget and submit same to the chairman and board of commissioners no later than fifteen days prior to the beginning of each fiscal year. The proposed budget for 2020 was presented to the chairman and board of commissioners on November 14, 2019.
3. A summary of the proposed budget is published in the official journal and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called. The proposed budget for 2020 was published in the official journal within the required time frame.
4. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing. The public hearing on the proposed budget for 2020 was held on December 12, 2019.

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5. After the holding of the public hearing and completion of all actions necessary to finalize and implement the budget, the budget was adopted. The proposed budget for 2020 was adopted on December 12, 2019.
6. Budgetary amendments require the approval of the chairman and board of commissioners. The budget for 2020 was not amended.
7. All budgetary appropriations lapse at year-end.
8. Formal budgetary integration is not employed; however, monthly budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the adopted budget amounts. The amounts are reconciled to the amounts reflected on the budget comparison statements as follows:

Excess (Deficiency) of Revenues over Expenditures (Statement E)		\$ 1,306,871
Add: Prior Year Receivables		785,877
Current Year Payables		190,438
Prior Year Prepaid Expense		20,587
Less: Current Year Receivables		831,395
Current Year Prepaid Expense		44,416
Prior Year Payables		<u>153,697</u>
Excess (Deficiency) of Revenues over Expenditures (Schedule 1)		<u>\$ 1,274,265</u>

G. Encumbrances

The Fire District does not utilize encumbrance accounting.

H. Deposits and Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Fire District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

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Under state law, the Fire District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at original cost.

I. Inventories

The Fire District uses the purchase method for accounting for expendable supplies where expenditures are recognized when the items are purchased. The Fire District did not record any inventory at December 31, 2020.

J. Prepaid Expense

Prepaid balances are for payments made by the Fire District in the current year to receive services occurring in a subsequent fiscal year.

K. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

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

Description	Estimated Lives
Buildings	40
Communication and Electronic Equipment	10
Personal Protective Equipment	10 -12
Firefighting Vehicles	7 -25
Office & Station Furnishings and Miscellaneous	5 -20

L. Compensated Absences

The Fire District has the following policy relating to vacation and sick leave:

The Fire District’s policy relating to vacation and sick leave is governed by Louisiana Fireman Civil Service Laws. After one year of continuous employment, each employee receives eighteen shifts of paid vacation. This vacation period shall be increased one shift for each year of service over ten years, up to a maximum vacation period of thirty shifts, all of which shall be with full pay. Vacation leave must be taken when earned and cannot be accumulated past the employee’s anniversary date. All

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firemen are entitled to sick leave for a period of not less than fifty-two weeks. Sick leave is forfeited at termination of employment.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the General Fund when leave is actually taken.

At December 31, 2020, the Fire District recorded no liability for accumulated vacation leave.

M. Long-Term Obligations

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

N. Fund Balance/Net Position

Fund Balance

GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

1. Nonspendable fund balances are associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balances include amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes determined by a formal action of the Board of Commissioners (the District's highest level of decision-making authority).
4. Assigned fund balances are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balances are the residual classification for the District's general fund and include all spendable amounts not contained in the other classifications.

The District's policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balances, and unassigned fund balances, in that order, at the end of the fiscal year by adjusting journal entries.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted

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fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund.

Net Position

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net position into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

1. Net Investment in Capital Assets Component of Net Position – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources attributable to the unspent amount, that amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.
2. Restricted Component of Net Position – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
3. Unrestricted Component of Net Position – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the Fire District's policy to use restricted resources first, then unrestricted resources as they are needed.

O. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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P. Sales and Use Taxes

In an election held July 19, 2003, the voters approved a one-half of one percent sales tax for providing a retirement system for the Fire District employees, hiring additional firefighters, and general operation of the District. The Fire District, through its governing authority, adopted a resolution on August 14, 2003, authorizing the imposition of the tax effective October 1, 2003.

The sales tax is collected by the Tangipahoa Parish School Board and remitted to the Fire District in the month following the receipt by the School Board. The School Board receives the sales tax approximately one month after collection by vendors. Sales taxes collected by the School Board in January and February have been accrued and are included under the caption "Accounts Receivable."

2. Levied Taxes

The following is a summary of authorized and levied ad valorem taxes:

	<u>2020</u>
General Fund	15.00mils

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Fire District during the year and actually billed to taxpayers and become due in November. Billed taxes become delinquent on December 31 of each year. Revenues from ad valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Tangipahoa Parish Sheriff's Office bills and collects the property taxes using the assessed value determined by the Tax Assessor of Tangipahoa Parish. The taxes are generally collected in December of the current year and January and February of the ensuing year. For 2020, the Fire District levied 14.94 mills for a total tax levy of \$592,968 on taxable property valuation totaling \$40,060,925.

3. Cash and Cash Equivalents

At December 31, 2020, the Fire District had cash and cash equivalents (book balances) totaling \$3,732,232 as follows:

Demand Deposits	\$ 188,026
Money Market Accounts	<u>3,544,206</u>
Total	<u>\$ 3,732,232</u>

The bank deposits are stated at cost, which approximates market. Under state law, these deposits (or the 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 the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in the holding or custodial bank that is mutually acceptable to both parties. At December 31, 2020, the Fire District had \$3,734,608 in bank deposits (collected bank balances).

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These deposits are secured from risk as follows:

Bank Balances	<u>\$ 3,734,608</u>
Federal Deposit Insurance	250,000
Uncollateralized (Category 3)	
Pledged Securities	<u>4,000,000</u>
Total	<u>4,250,000</u>
Excess (Deficit) of Pledged Securities	<u>\$ 515,392</u>

4. Receivables

The following is a summary of receivables at December 31, 2020:

Ad Valorem Taxes	\$ 592,968
State Revenue Sharing	24,282
Tangipahoa Parish Fire District No. 2	18,042
Sales Tax	202,901
Less allowance for doubtful accounts	<u>(6,798)</u>
Total	<u>\$ 831,395</u>

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5. Capital Assets

A summary of changes in capital assets for 2020 follows:

	Balance 12/31/19	Increases	Decreases	Balance 12/31/20
Capital Assets Not Depreciated:				
Land and Land Improvements	\$ 245,540	\$ -	\$ -	\$ 245,540
Total Capital Assets Not Being Depreciated	<u>\$ 245,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 245,540</u>
Other Capital Assets:				
Buildings	\$ 1,370,632	\$ -	\$ -	\$ 1,370,632
Equipment	3,348,618	98,423	147,155	3,299,886
Total Other Capital Assets	<u>\$ 4,719,250</u>	<u>\$ 98,423</u>	<u>\$ 147,155</u>	<u>\$ 4,670,518</u>
Less Accumulated Depreciation for:				
Buildings	\$ 496,548	\$ 34,271	\$ -	\$ 530,819
Equipment	2,032,215	122,750	147,155	2,007,810
Total Accumulated Depreciation	<u>\$ 2,528,763</u>	<u>\$ 157,021</u>	<u>\$ 147,155</u>	<u>\$ 2,538,629</u>
Other Capital Assets, Net	<u>2,190,487</u>	<u>(58,598)</u>	<u>-</u>	<u>2,131,889</u>
Totals	<u>\$ 2,436,027</u>	<u>\$ (58,598)</u>	<u>\$ -</u>	<u>\$ 2,377,429</u>

6. Deferred Compensation Plan

The Fire District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Fire District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The Small Business Job Protection Act of 1996 allows the deferral of taxes on state and local government deferred compensation plans provided the amounts are held in trust for the exclusive benefit of participating employees and are not accessible by the government or its creditors. Employees can direct their contributions into one or more investment options.

7. Employer Defined Contribution Pension Plan

The Fire District has established the "Tangipahoa Parish Fire Protection District No. 1 Money Purchase Plan," a defined contribution plan. For each plan year, the Fire district may make a matching contribution equal to a percentage of the eligible participant's elective deferrals that each such participant is making under the Tangipahoa Parish Fire District No. 1 457 Plan referred to in Note 6 above. For the year ended December 31, 2020, the District contributed 5% to each eligible employee's account and made a matching contribution

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of each participant's elective deferral to the Tangipahoa Parish Fire District No. 1 457 Plan limited to 5%. An employee becomes an eligible participant under the plan after one year of service. The participant has a nonforfeitable (vested) right to his account of 50% after five years and 100% after 7 years of participation in the plan. Pension expense for the year ended December 31, 2020 was \$101,445.

8. Other Post Employment Benefits

The Fire District has no other post employment benefits.

9. Leases

The Fire District has no capital leases or operating leases at December 31, 2020.

10. Changes in Long-Term Obligations

The following is a summary of debt transactions for the Fire District for the year ended December 31, 2020:

	Note Payable Obligation	Total	
Balance at January 1, 2020	\$ 587,080	\$ 587,080	
Increase in Debt	-	-	
Principal Payments	(11,028)	(11,028)	
Balance at December 31, 2020	\$ 576,052	\$ 576,052	

The Revenue Bonds payable consist of an issue financed by the U.S. Department of Agriculture to pay part of the cost of construction of the new fire station. The revenue bonds, dated August 2, 2007, for a total amount of \$688,000, will be due in annual installments of principal and interest, totaling \$35,776, payable for 40 years, with an interest at 4.125%, beginning August 2, 2008. Additionally, the Fire District maintains a separate account (Sinking Fund) at a local bank with a minimum balance at all times equal to the annual installment of principal and interest.

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Principal and interest requirements (presented separately) to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	12,274	23,502	35,776
2022	12,520	23,256	35,776
2023	13,037	22,739	35,776
2024	13,574	22,202	35,776
2025	14,134	21,642	35,776
2026-2030	79,913	98,967	178,880
2031-2035	97,813	81,067	178,880
2036-2040	119,721	59,159	178,880
2041-2045	146,536	32,344	178,880
2046-2047	66,530	4,125	70,655
	<u>\$ 576,052</u>	<u>\$ 389,003</u>	<u>\$ 965,055</u>

11. Compensation Paid Board Members

Louisiana Revised Statute 40:1498 provides that each member of the board of commissioners of the Fire District shall receive compensation in the amount of thirty dollars per meeting, not to exceed two meetings in any one calendar month. Compensation paid to individual board members is presented with the accompanying supplementary schedule.

12. Local Service Agreements

The Fire District has entered into a contractual agreement with the Tangipahoa Parish Rural Fire Protection District No. 2 whereby the Fire District shall provide fire protection and emergency medical services including but not limited to firefighting equipment, vehicles, supplies, and such employees as are available within the boundaries of the Tangipahoa Parish Rural Fire Protection District No. 2. In consideration for such service, the Wilmer Volunteer Fire Department, Inc. and the Loranger Volunteer Fire Department, Inc. each agree to pay full sum and amount of 1.25% of ad valorem funds to be split equally between the two departments for the services provided to the Fire District. This agreement is effective for the period January 1, 2018 through December 31, 2020.

The revenue from the above agreements is reported under "Fire District No. 2."

13. Contract with Communication District Number One

In 2011, the Fire District entered into an intergovernmental agreement with Tangipahoa Communication District Number One (the Communication District) whereby the Communication District will answer all emergency 911 lines and radio dispatch for and on behalf of the Fire District. In consideration of this service, the Fire District shall pay for its share of certain costs and charges of the Communication District based on an allocable percentage of call volume of the Communication District. In 2019, the Fire District entered into a new contract with the Communication District. The contract is for a one year period beginning July 1, 2019

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and shall automatically renew each year unless cancelled by either party with ninety days written notice. The annual cost to the Fire District is approximately \$7,500.

14. On-Behalf Payments for Salaries and Benefits

During 1997, the Fire District implemented GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*. This standard requires the Fire District to report in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana to certain groups of fire employees.

Supplementary salary payments are made by the state directly to certain groups of employees. The Fire District is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure (expense) payments is the actual contribution made by the state. For 2020, the state paid supplemental salaries to the following groups of employees of the Fire District.

On-behalf payments recorded as revenues and expenditures (expenses) in the 2020 financial statements are as follows:

General Fund:	
Fireman Supplemental Pay	<u>\$ 123,112</u>
Total On-Behalf Payments	<u>\$ 123,112</u>

The Fire District is required to pay from its own budget the payroll taxes and retirement contributions on these on-behalf payments.

15. Litigation and Claims

As of December 31, 2020, the Fire District is not involved in, or aware of, any lawsuits or pending claims. However, see Note 17, Subsequent Events, below.

16. Risks and Uncertainties

Questioned Costs

Subsequent to year end, an audit of the Fire District's major federal program award received in 2020 resulted in a questioned cost that could have a material effect on the financial statements. Because the ultimate resolution of the questioned cost involves many factors and is determined by the granting or cognizant agency, the Fire District is not in a position at this time to record a liability representing the questioned cost.

Coronavirus (COVID-19)

As a result of the spread of coronavirus (COVID-19), economic uncertainties have arisen in various industries and the business climate, in general. The Fire district has also taken action to protect the health and safety of its employees. At this time it is not reasonably possible to predict how this matter may impact operations or the financial condition of the Fire District over the long term.

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17. Subsequent Events

Management has evaluated subsequent events through May 30, 2022, the date the financial statements were available to be issued.

In January 2021, The Fire District purchased a custom pumper truck at a cost of \$489,585.

In July 2021, The Fire District purchased a rescue truck at a cost of \$274,047.

In December 2021, The Fire District adopted a resolution to create the Tangipahoa Parish Fire Protection District No. 1 Fire Prevention Bureau (the Fire Prevention Bureau) pursuant to LA R.S. 40:1563, and therefore, assumed the responsibility and liability for inspections conducted by the Fire Prevention Bureau.

Subsequent to year end the Fire District was named in a worker's compensation claim/suit concerning a former employee. The claim is presently being addressed by the Fire District's insurer, and the ultimate outcome is undeterminable at this time.

Required Supplementary Information

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Schedule 1

General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget (Non-GAAP Basis) and Actual

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts - Budgetary Basis	Variance with Final Budget Favorable / (Unfavorable)
Revenues:				
Ad Valorem Taxes	\$ 560,000	\$ 560,000	\$ 572,762	\$ 12,762
Sales Tax Revenue	970,000	970,000	1,156,287	186,287
State Revenue Sharing	25,000	25,000	16,344	(8,656)
Fire Insurance Rebate	50,000	50,000	48,210	(1,790)
Fire District No. 2	65,000	65,000	66,252	1,252
State Supplemental Pay	125,000	125,000	123,112	(1,888)
Interest on Investments	35,000	35,000	14,001	(20,999)
City Sales Tax	320,000	320,000	320,000	-
Other Revenues	3,000	3,000	873,669	870,669
Total Revenues	<u>2,153,000</u>	<u>2,153,000</u>	<u>3,190,637</u>	<u>1,037,637</u>
Expenditures:				
Salaries and Related Benefits	1,512,000	1,512,000	1,368,025	143,975
Salaries - Supplemental Pay	125,000	125,000	123,112	1,888
Compensation Paid Board Members	1,950	1,950	1,410	540
Sheriff's Pension Fund	23,500	23,500	22,523	977
Employee Medical	3,200	3,200	2,015	1,185
Employee Training	22,000	22,000	10,986	11,014
Insurance	138,000	138,000	149,895	(11,895)
911 Dispatch	8,000	8,000	7,476	524
Operating Supplies	59,000	59,000	44,056	14,944
Professional Fees	18,000	18,000	4,580	13,420
Repairs and Maintenance	60,000	60,000	2,050	57,950
Telephone and Utilities	40,000	40,000	29,069	10,931
Other	26,800	26,800	16,976	9,824
Capital Outlay	550,000	550,000	98,423	451,577
Debt Service	35,776	35,776	35,776	-
Total Expenditures	<u>2,623,226</u>	<u>2,623,226</u>	<u>1,916,372</u>	<u>706,854</u>
Excess (Deficiency) of Revenues Over Expenditures	(470,226)	(470,226)	1,274,265	1,744,491
Fund Balance - Beginning of the Year	<u>1,298,774</u>	<u>1,298,774</u>	<u>2,457,967</u>	<u>1,159,193</u>
Fund Balance - End of the Year	<u>\$ 828,548</u>	<u>\$ 828,548</u>	<u>\$ 3,732,232</u>	<u>\$ 2,903,684</u>

See auditor's report and accompanying notes.

Other Supplementary Information

**Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana**

Schedule 2

Supplemental Information

As of and for the Year Ended December 31, 2020

Schedule of Compensation Paid Board of Commissioners

The schedule of compensation paid to the Board of Commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The compensation paid to the Board of Commissioners is included in the expenditures of the General Fund. In accordance with Louisiana Revised Statute 40:1498, board members are paid \$30 for attending meetings of the Board, not to exceed two meetings in any one calendar month.

	<u>Total</u> <u>Meetings</u>	<u>Meetings</u> <u>Present</u>	<u>Amount</u>
E Ray Glasgow PO Box 918 Amite, LA 70422 985-748-8191	11	7	\$ 210
Herbert Brumfield 505 Richardson Street Amite, LA 70422 985-517-0073	11	10	300
Gwynette Dixon 66273 Highway 51 Fluker, LA 70436 985-748-8448	11	10	300
Linda Hart P O Box 421 Amite, LA 70422 985-517-3210	11	10	300
Robbie Lee PO Box 939 Amite, LA 70422 985-748-9000	11	10	<u>300</u> <u>\$ 1,410</u>

**Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana**

Schedule 3

Supplemental Information

As of and for the Year Ended December 31, 2020

Schedule of Compensation, Benefits And Other Payments To Agency Head,
Political Subdivision Head, Or Chief Executive Officer

The schedule of compensation, benefits and other payments to agency head, political subdivision head or chief executive officer is presented in compliance with Act 706 of the 2014 Session of the Louisiana Legislature.

Agency Head Name: Fire Chief Bruce Cutrer

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 111,550
Benefits - health insurance	5,429
Benefits - retirement	11,155
Reimbursements-for postage and supplies	239

**Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana**

Supplemental Information

As of and for the Year Ended December 31, 2020

Schedule of Expenditures of Federal Awards

<u>Federal Grantor/ Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. Department of Agriculture:			
Community Facilities Loans and Grants	10.766	---	\$ <u>587,080</u>
U.S. Department of Treasury:			
Pass-Through State of Louisiana Tangipahoa Parish Government			
COVID-19 – Coronavirus Relief Fund	21.019	---	\$ <u>828,060</u>
<i>Total Expenditures of Federal Awards</i>			<u>\$ 1,415,140</u>

Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana

Supplemental Information

As of and for the Year Ended December 31, 2020

Notes to the Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award (and loan) activity of Tangipahoa Parish Fire Protection District No.1 and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Tangipahoa Parish Fire Protection District No. 1, it is not intended to and does not present the financial position, changes in net position, or cash flows of Tangipahoa Parish Fire Protection District No. 1.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

Tangipahoa Parish Fire Protection District No. 1 has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4. U.S. Department of Agriculture Loan

Tangipahoa Parish Fire Protection District No.1 has received a U.S. Department of Agriculture direct loan under the Rural Development loan program. The loan balance outstanding at the beginning of the year is included in the federal expenditures presented in the Schedule. Tangipahoa Parish Fire Protection District No. 1 received no additional loans during the year. The balance of the loan outstanding at December 31, 2020 consists of:

<u>Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Amount Outstanding</u>
<u>Community Facilities Loans and Grants</u>	<u>10.766</u>	<u>\$ 576,052</u>

**Tangipahoa Parish Fire Protection District No. 1
Amite, Louisiana**

List of Insurance Policies in Force
(Unaudited)
December 31, 2020

<u>Insurer/Policy No.</u>	<u>Coverage</u>	<u>Amount</u>	<u>Period</u>
American Alternative Insurance Corporation VFIS-TR-2054758-12	Commercial Property: 210 NE Central Avenue Amite, LA		6/28/20 - 6/28/21
	Buildings	\$ 858,673	
	Personal property	87,288	
	200 Block NE Central Avenue Amite, LA		
	Building	158,016	
	Personal property	27,040	
	13201 Ballpark Road Independence, LA		
	Building	28,656	
	104 Campo Lane Amite, LA		
	Building	877,368	
	Personal property	155,140	
	General Liability: Including products/completed operations, personal and advertising injury		
	Each occurrence	1,000,000	
	General aggregate	2,000,000	
	Crime Coverages: Employee Dishonesty (Each)	35,000	
American Alternative Insurance Corporation VFIS-CM-1052932-12	Commercial Automobile: Liability, including uninsured motorist	1,000,000	6/28/20 - 6/28/21
	Property - Scheduled	2,239,721	
Louisiana Workers' Compensation Corporation 3352-S	Workers' compensation insurance	Statutory Limits	11/5/20 - 11/5/21

**Other Independent Auditor's Reports and
Findings and Recommendations**

**Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

PEDELAHORE & CO., LLP

Certified Public Accountants

ROBERT J. MORA, CPA
MARY H. VALIGOSKY, CPA
MILTON B. CAVALIER, CPA
JENNIFER L. DORAN, CPA

MEMBER
American Institute of CPA'S
Society of Louisiana CPA'S

BRIAN P. MORA, CPA, CFA
DIANE O. LEFORT, CPA
MITZI P. LAMPO, CPA

Independent Auditor's Report On Internal Control Over Financial Reporting And On
Compliance And Other Matters Based On An Audit Of Financial Statements Performed In
Accordance With *Government Auditing Standards*

Mr. E. Ray Glasgow, Chairman and
Members of the Board of Commissioners
Tangipahoa Parish Fire Protection District No. 1.
Amite, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Tangipahoa Parish Fire Protection District No. 1, Amite, Louisiana, a component unit of the Tangipahoa Parish Council, as of and for the year ended December 31, 2020, and related notes to the financial statements, which collectively comprise the Tangipahoa Parish Fire Protection District No. 1's basic financial statements, and have issued our report thereon dated May 30, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tangipahoa Parish Fire Protection District No. 1's (the Fire 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 basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fire District's internal control.

A deficiency in internal control exist 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 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 charge with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tangipahoa Parish Fire Protection District No. 1's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

This report is intended solely for the information and use of management, federal awarding and other oversight agencies, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



May 30, 2022
Metairie, Louisiana

**Independent Auditor's Report on Compliance For Each Major
Program And On Internal Control Over Compliance Required
By Uniform Guidance**

PEDELAHORE & CO., LLP

Certified Public Accountants

ROBERT J. MORA, CPA
MARY H. VALIGOSKY, CPA
MILTON B. CAVALIER, CPA
JENNIFER L. DORAN, CPA

MEMBER
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BRIAN P. MORA, CPA, CFA
DIANE O. LEFORT, CPA
MITZI P. LAMPO, CPA

Independent Auditor's Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance

Mr. E. Ray Glasgow, Chairman and
Members of the Board of Commissioners
Tangipahoa Parish Fire Protection District No. 1.
Amite, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Tangipahoa Parish Fire Protection District No. 1's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of the Tangipahoa Parish Fire Protection District No. 1's major federal programs for the year ended December 31, 2020. Tangipahoa Parish Fire Protection District No. 1's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Tangipahoa Parish Fire Protection District No. 1's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Tangipahoa Parish Fire Protection District No. 1's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Tangipahoa Parish Fire Protection District No. 1's compliance.

Basis for Qualified Opinion

As described in the accompanying schedule of findings and questioned costs, the Tangipahoa Parish Fire Protection District No. 1 did not comply with requirements regarding allowable costs for Assistance Listing No. 21.019 Coronavirus Relief Fund as described in Finding Number 2020-001. Compliance with such requirements is necessary, in our opinion, for the Tangipahoa Parish Fire Protection District No. 1 to comply with the requirements applicable to that program.

Qualified Opinion

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Tangipahoa Parish Fire Protection District No. 1 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Assistance Listing No. 21.019, Coronavirus Relief Fund, for the year ended December 31, 2020.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding Number 2020-002. Our opinion on the major federal program is not modified with respect to this matter.

Tangipahoa Parish Fire Protection District No. 1's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Tangipahoa Parish Fire Protection District No. 1's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the Tangipahoa Parish Fire Protection District No. 1, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Tangipahoa Parish Fire Protection District No. 1's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Tangipahoa Parish Fire Protection District No. 1's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding Number 2020-001 that we consider to be a material weakness.

Tangipahoa Parish Fire Protection District No. 1's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Tangipahoa Parish Fire Protection District No. 1's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



May 30, 2022
Metairie, Louisiana

Findings and Recommendations

Tangipahoa Parish Fire Protection District No. 1

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2020

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____yes X no

Significant deficiency(ies) identified that are not considered to be material weaknesses? _____yes X none reported

Noncompliance material to financial statements noted? _____yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? X yes _____no

Significant deficiency(ies) identified that are not considered to be material weaknesses? _____yes X none reported

Type of auditor's report issued on compliance for major programs: Qualified

Any audit findings that are required to be reported in accordance with 2 CFR Section 200.51 6(a) X yes _____no

Programs tested as major programs: Coronavirus Relief Fund; Assistance Listing No. 21.019.

Threshold for distinguishing Type A and B programs was: \$750,000.

Is the auditee a "low-risk" auditee as defined by OMB Uniform Guidance? _____yes X no

Section II – Financial Statement Findings

There are no financial statement findings.

Tangipahoa Parish Fire Protection District No. 1

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2020

Section III – Federal Award Findings and Questioned Costs

U.S. Department of Treasury

Finding No. 2020-001: Assistance Listing Number: 21.019, COVID-19- Coronavirus Relief Fund

Material Weakness/Material Noncompliance

Criteria: The State of Louisiana provided specific guidance on the costs which were eligible for reimbursement by a local government. In certain instances, this guidance was more restrictive than the allowable cost criteria issued by the U.S. Department of Treasury.

Condition: The application submitted by the Fire District to the State of Louisiana, through the Tangipahoa Parish Government, included costs that were not eligible for reimbursement.

Cause: The application preparer was unaware that the reimbursement request included ineligible expenses related to state supplemental pay for firefighters and certain employee benefits.

Effect: Certain payroll and employee benefit amounts estimated at \$80,000 may be disallowed.

Context: A sample of payroll journals and invoices were selected for the testing of the internal control over compliance with allowable cost requirements and for compliance with those requirements. The payroll journals selected for testing included state supplemental pay for firefighters, which was not deemed to be a cost eligible for reimbursement by the State of Louisiana. The employee benefit invoices selected for testing also included certain ineligible costs.

Questioned Costs: \$80,000. The questioned costs relate to \$70,000 for state supplemental pay for firefighters and \$10,000 for ineligible employee benefits which were reimbursed by the State of Louisiana, through the Tangipahoa Parish Government.

Recommendation: Training for personnel preparing government grant applications should emphasize the need to research both federal and state guidelines to ensure compliance with the most restrictive requirements. In addition, the Tangipahoa Parish Government and the State of Louisiana should be notified of the ineligible costs and inquire about further instructions on how to proceed.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and the auditor's recommendations have been adopted.

Finding No. 2020-002 Noncompliance with Office of Management and Budget (OMB)- Single Audit Submission Requirement

Noncompliance

Criteria: A grant recipient that expends \$750,000 or more during any fiscal year in federal awards must have a Single Audit. OMB extended the reporting date for Single Audit submissions to 6-months beyond the normal due date.

Condition: The Fire District's extended due date was March 31, 2022; however, that deadline expired prior to submission.

Tangipahoa Parish Fire Protection District No. 1

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2020

Cause: The submission to the Federal Audit Clearinghouse was delayed due to staffing challenges caused by the COVID-19 pandemic, including the death of the Fire Chief.

Effect: Noncompliance with requirement to submit its Data Collection Form and its Reporting Package to the Federal Audit Clearinghouse by the reporting deadline.

Recommendation: Management should review its policies and procedures to ensure that its Data Collection Form and its Single Audit Reporting Package are submitted to the Federal Audit Clearinghouse by the required due date.

Views of Responsible Officials and Planned Corrective Actions: The Fire District believes this situation was an isolated incident as the challenges of the COVID-19 pandemic were unprecedented. The Data Collection Form and the Single Audit Reporting Package will be submitted in May 2022.

Section IV – Management Letter

None issued

Summary Schedule of Prior Audit Findings

Ref.#	Fiscal Year Findings Initially Occurred	Description of Findings	Corrective Action Taken	Plan Corrective Action/Partial Corrective Action Taken	Additional Explanation
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Internal Control Over Financial Reporting

None

Compliance and Other Matters

None

Federal Award Programs

None

Management Letter Suggestions

None

Note: This schedule has been prepared by the management of the Tangipahoa Parish Fire Protection District No. 1.

Tangipahoa Parish Fire Protection District Number One

210 N.E. Central Avenue • Amite, Louisiana 70422
P. O. Box 279 • Amite, Louisiana 70422
(O): 985-748-5161 • (F): 985-748-5187

James D. Stevens
Fire Chief

Jason M. King
Deputy Fire Chief

Carl J. Pardue
Chief of Fire Prevention

Agnes Prevost
Secretary/Treasurer

CORRECTIVE ACTION PLAN For The Year Ended December 31, 2020

U.S. Department of Treasury

Material Weakness/Material Noncompliance

Finding 2020-001: Assistance Listing Number 21.019, COVID-19 – Coronavirus Relief Fund

Finding: The application submitted by the local government to the State of Louisiana, through the Tangipahoa Parish Government, included costs that were not eligible for reimbursement.

Corrective Action: Management agrees with the finding and the auditor's recommendations have been adopted. Additionally, further corrective action has been taken by re-configuring the payroll records to more readily identify firefighter's state supplemental pay (in this instance the most significant ineligible cost).

Anticipated Completion Date: The corrective action has already been implemented.

Noncompliance – Single Audit Submission Requirement

Finding 2020-002: Assistance Listing Number 21.019, COVID-19 – Coronavirus Relief Fund

Finding: The extended reporting date for submission of the Fire District's Single Audit was March 31, 2022; however, that deadline expired prior to submission to the Federal Clearing House.

Corrective Action: The Fire District believes this situation was an isolated incident as the challenges of the COVID-19 pandemic were unprecedented.

Anticipated Completion Date: The Data Collection Form and the Single Audit Reporting Package will be submitted in May 2022.

Contact Person: Agnes Prevost, Secretary/Treasurer, Tangipahoa Fire Protection District No. 1

Respectfully Submitted,



Agnes Prevost
Secretary/Treasurer