
PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL REPORT

DECEMBER 31, 2019

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.

(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL REPORT

DECEMBER 31, 2019

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Paincourtville Volunteer Fire Department, Inc.
Paincourtville, Louisiana

We have reviewed the accompanying financial statements of Paincourtville Volunteer Fire Department, Inc. (a non-profit organization) which comprise the statement of financial position and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year ended December 31, 2019, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

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



Other Matters

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information, and based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information, and, accordingly, do not express an opinion on such information.

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 25, 2020

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

| | |
|-----------------------------|----------------------------|
| Cash and cash equivalents | \$ 85,335 |
| Certificates of deposit | 302,340 |
| Due from government agency | 58,696 |
| Property and equipment, net | 939,535 |
| Land | 88,899 |
| TOTAL ASSETS | <u>\$ 1,474,805</u> |

LIABILITIES

\$ -

NET ASSETS

| | |
|----------------------------|-------------------------|
| Without donor restrictions | 1,474,805 |
| TOTAL NET ASSETS | <u>1,474,805</u> |

TOTAL LIABILITIES AND NET ASSETS **\$ 1,474,805**

See accompanying notes and independent accountants' review report.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.

(A NOT FOR PROFIT ORGANIZATION)

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2019

| | <u>Without Donor Restrictions</u> |
|--|--|
| <u>REVENUES AND OTHER SUPPORT</u> | |
| Grant from government agency | \$ 203,939 |
| In-kind services | 15,150 |
| Contributions | 29,937 |
| Interest revenue | 1,379 |
| 2% fire rebate | 17,702 |
| | <hr/> |
| Total revenues and other support | 268,107 |
| | <hr/> |
| <u>EXPENSES AND LOSSES</u> | |
| Program services | |
| Public safety | 151,186 |
| Support services | |
| General and administrative | 56,043 |
| | <hr/> |
| Total expenses | 207,229 |
| | <hr/> |
| Change in net assets | 60,878 |
| Net assets at beginning of year | 1,413,927 |
| | <hr/> |
| Net assets at end of year | \$ 1,474,805 |
| | <hr/> <hr/> |

See accompanying notes and independent accountants' review report.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.

(A NOT FOR PROFIT ORGANIZATION)

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2019

| | <u>Program Services</u> | <u>Support Services</u> | |
|-------------------------|-------------------------|-------------------------------|-------------------|
| | Public Safety | General and Administrative | Total Expenses |
| Depreciation | \$ 27,483 | \$ 27,549 | \$ 55,032 |
| Dues and subscriptions | - | 203 | 203 |
| Education and training | 5,660 | - | 5,660 |
| Fuel | 2,234 | - | 2,234 |
| In-kind expenses | 15,150 | - | 15,150 |
| Miscellaneous | 6,649 | - | 6,649 |
| Office supplies | - | 4,773 | 4,773 |
| Professional fees | - | 9,800 | 9,800 |
| Repairs and maintenance | 90,680 | - | 90,680 |
| Supplies | 3,330 | - | 3,330 |
| Utilities and telephone | - | 13,718 | 13,718 |
| Total expenses | <u>\$ 151,186</u> | <u>\$ 56,043</u> | <u>\$ 207,229</u> |

See accompanying notes and independent accountants' review report.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.

(A NOT FOR PROFIT ORGANIZATION)

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

| | | |
|---|----|----------------|
| Change in net assets | \$ | 60,878 |
| Adjustments to reconcile change in net assets provided by operating activities: | | |
| Depreciation | | 55,032 |
| Increase in due from government agency | | (6,349) |
| Net cash provided by operating activities | | <u>109,561</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | | |
|---|----|------------------|
| Purchases of certificates of deposit | | (101,379) |
| Purchases of equipment | | (10,180) |
| Net cash used in investing activities | | <u>(111,559)</u> |
| Net decrease in cash and cash equivalents | | (1,998) |
| Cash and cash equivalents at January 1 | | <u>87,333</u> |
| Cash and cash equivalents at December 31 | \$ | <u>85,335</u> |

See accompanying notes and independent accountants' review report.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. Summary of Significant Accounting Policies

Organization and Nature of Business

The Painscourtville Volunteer Fire Department, Inc. (the Fire Department) is a non-profit organization formed on August 10, 1978 to provide fire protection to the citizens of the Painscourtville, Louisiana and its surrounding areas. The Fire Department is solely dependent upon the ad valorem tax revenue received from the grant from the Consolidated Fire Protection District of the Assumption Parish Police Jury, donations from the public, and investment income.

Program Services

Public Safety

The Fire Department engages in the voluntary fighting and prevention of fires in and around Painscourtville, Louisiana. Additionally, the Fire Department aids in rescue work and assistance during fires, floods, and all other disasters.

Support Services

General and Administration

The supporting service category includes the functions necessary to provide administrative performance of the financial responsibilities of the Fire Department.

Basis of Accounting

The Fire Department prepares its financial statements on the accrual basis of accounting. Accordingly, revenues from grants from government agencies, donations, and investments are recognized when earned and expenses are recognized when incurred.

To ensure proper usage of assets with and without donor restrictions, the Fire Department maintains its accounts according to accounting principles generally accepted in the United States of America, whereby funds are classified in accordance with specified restrictions or objectives.

Cash and Certificates of Deposit

The Fire Department considers all cash accounts, money market funds, and all highly liquid deposits with a maturity of three months or less when purchased to be cash and cash equivalents.

Cash and cash equivalents include demand deposit accounts and interest-bearing demand accounts. Under Louisiana Revised Statutes 39:1271 and 33:2955, the Fire Department may deposit funds in demand deposit accounts, interest-bearing demand deposit accounts, and time certificates of deposit with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. Summary of Significant Accounting Policies (continued)

Cash and Certificates of Deposit (continued)

The Fire Department invests in certificates of deposit. These certificates of deposit have original maturities between 6 and 13 months and are classified as investments. These investments are stated at cost which approximate fair value.

Due from Government Agency

Due from government agency consists of the unremitted ad valorem taxes due from the Assumption Parish Police Jury based upon a predetermined formula as set forth in the grant from the Fire Department and the Consolidated Fire Protection District of the Assumption Parish Police Jury.

Property and Equipment

Buildings, vehicles, and equipment are recorded at cost and are being depreciated using the straight-line methods over their estimated useful lives as follows:

| | |
|----------------------|---------------|
| Buildings | 30 - 40 years |
| Vehicles & Equipment | 5 - 10 years |

Net Assets

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board).

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions.

The Fire Department reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Fire Department has no net assets with donor restrictions as of December 31, 2019.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

The Fire Department has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended as management believes the standard improves the usefulness and understandability of the Fire Department's financial reporting.

Effective January 1, 2019, the Fire Department adopted ASU No. 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this ASU assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The implementation of this new standard did not have a material impact on the measurement or recognition of revenue.

Analysis of various provisions of this standard resulted in no significant changes in the way the Fire Department recognizes revenue, and therefore no changes to the previously issued compiled financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with this standard.

The Fire Department recognizes contributions received and made, including unconditional promises to give, as revenue in the period received or made. Contributions received are reported as either revenues without donor restrictions or revenues with donor restrictions. Contributions with donor restrictions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as revenues with donor restrictions and are reclassified as net assets released from restrictions in the same year.

Promises to contribute that stipulate conditions to be met before the contribution is made are not recorded until the conditions are met. There were no conditional promises to give for the year ended December 31, 2019.

The majority of the Fire Department's revenue is derived from a grant from the Assumption Parish Police Jury which is funded by ad valorem taxes. This grant is a nonexchange transaction that benefits the general public.

The Fire Department reports gifts of land, buildings, and equipment as revenue without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and the gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenue with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Fire Department reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Contributions of noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. In-kind contributions of \$15,150 include 1,010 hours for fire, medical, and rescue response donated by volunteer firefighters.

Expenses

Expenses are recognized by the Fire Department on an accrual basis. Expenses paid in advance and not yet incurred are recorded as prepaid until the applicable period.

The statement of functional expenses presents expenses by function and natural classification.

Expenses directly attributable to public safety are reported as expenses within that functional area. Depreciation expense for the equipment, trucks, and other vehicles have been allocated to public safety. No additional allocation of general and administrative costs has been made to public safety.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted 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.

Income Taxes

The Fire Department accounts for income taxes in accordance with income tax accounting guidance included in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

The Fire Department is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Therefore, the Fire Department has not recorded a provision for income taxes in the accompanying financial statements and the Fire Department does not have any uncertain tax positions.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

1. Summary of Significant Accounting Policies (continued)

Current Accounting Standard Scheduled to be Implemented

In February 2016, the FASB issued ASU 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the consolidated statement of financial position as well as additional disclosures. The updated guidance is effective for annual periods beginning after December 15, 2021.

The Fire Department is currently assessing the impact of this pronouncement on its financial statements.

2. Cash and Certificates of Deposit

At December 31, 2019, the carrying amounts of the Fire Department's deposits were as follows:

| | |
|-------------------------|-------------------|
| Demand deposit accounts | \$ 85,335 |
| Certificates of deposit | <u>302,340</u> |
| | <u>\$ 387,675</u> |

Under state law, these deposits must be secured by either federal deposit insurance or by the pledge of securities owned by a 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 bank.

Custodial credit risk is the risk that in the event of a financial institution failure, the Fire Department's deposits may not be returned to them. To mitigate this risk, these deposits are secured by federal deposit insurance. As of December 31, 2019, the Fire Department's bank balance was \$387,675. Of this balance, \$250,000 was secured by federal deposit insurance and \$137,675 was uninsured.

3. Property and Equipment

Property and equipment at December 31, 2019 consist of the following:

| | |
|--------------------------------|-------------------|
| Buildings and improvements | \$ 1,101,978 |
| Furniture and equipment | 148,464 |
| Trucks and other vehicles | 592,583 |
| | <u>1,843,025</u> |
| Less: Accumulated depreciation | (903,490) |
| | <u>\$ 939,535</u> |

Depreciation expense was \$55,032 for the year ended December 31, 2019.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

See accompanying independent accountants' review report.

4. Grant from Government Agency

For the year ended December 31, 2019, the Fire Department received a grant from the Consolidated Fire Protection District of the Assumption Parish Police Jury, in the amount of \$203,939, to provide fire protection to the public within a designated area of the parish as defined in an agreement. This agreement is funded through an ad valorem tax that has been levied for the Consolidated Fire Protection District.

5. Availability and Liquidity Management

The Fire Department maintains a policy of structuring its financial assets to be available as its general expenses, liabilities, and other obligations come due. In addition, the Fire Department invests its cash in excess of 90-day requirements in short-term certificates of deposit.

To help manage unanticipated liquidity needs, the Fire Department purchases certificates of deposit with varying maturity dates.

The following table reflects the Fire Department's financial assets as of December 31, 2019. There were no net assets with donor restrictions as of December 31, 2019.

| | |
|--|-------------------|
| Cash and cash equivalents | \$ 85,335 |
| Certificates of deposit | 302,340 |
| Due from government agency | <u>58,696</u> |
| Financial assets available to meet cash needs for general expenses within one year | <u>\$ 446,371</u> |

6. Subsequent Events

In preparing the financial statements, the Fire Department has evaluated events and transactions for potential recognition or disclosure through June 25, 2020, the date that the financial statements were available to be issued and has determined that no events occurred that require disclosure.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.

(A NOT FOR PROFIT ORGANIZATION)

SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2019

Fire Chief : Rudy Prejean

| <u>Purpose</u> | <u>2019</u> |
|--|--------------------|
| | Amount |
| Amounts paid directly to the Fire Chief | |
| Salary | \$ - |
| Benefits | - |
| Travel | - |
| Reimbursements | - |

Note: The fire chief is a volunteer.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

SCHEDULE OF FINDINGS AND RESPONSES

See accompanying independent accountants' review report.

COMPLIANCE FINDING

2019-001 Deposit Security

Criteria: Under the terms of the Fire Department's agreement with the Consolidated Fire Protection District of the Assumption Parish Police Jury, the Fire Department must comply with all state and local laws with respect to its public funds. As such, Louisiana Revised Statute 39:1225 requires the amount of the security to, at all times, be equal to one-hundred percent of the amount of collected funds on deposit to the credit of each depositing authority except that portion of the deposits insured by any government agency insuring bank deposits.

Condition: The Fire Department's bank deposits are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000. Collected funds on deposit in the amount of \$137,675 are in excess of the FDIC insurance. This is a repeat finding from the prior year.

Cause: The Fire Department failed to secure sufficient collateral against its deposits.

Effect: The Fire Department is in violation of Louisiana Revised Statute 39:1225. Additionally, a portion of the Fire Department's deposit balance is at risk of loss.

Recommendation: The Fire Department should comply with the requirements set forth in Louisiana Revised Statute 39:1225.

View of Responsible Official: Management will ensure that collected funds on deposit will be properly secured.

PAINCOURTVILLE VOLUNTEER FIRE DEPARTMENT, INC.
(A NOT FOR PROFIT ORGANIZATION)

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

See accompanying independent accountants' review report.

COMPLIANCE FINDING

2018-001 Deposit Security

Criteria: Under the terms of the fire protection grant from the Consolidated Fire Protection District of the Assumption Parish Police Jury, the Fire Department must comply with all state and local laws with respect to its public funds. As such, Louisiana Revised Statute 39:1225 requires the amount of the security to, at all times, be equal to one-hundred percent of the amount of collected funds on deposit to the credit of each depositing authority except that portion of the deposits insured by any government agency insuring bank deposits.

Condition: The Fire Department's bank deposits are in excess of the amounts securing those deposits.

Current Year Status: This finding is repeated for the year ended December 31, 2019.



INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Paincourtville Volunteer Fire Department, Inc.
Paincourtville, Louisiana

We have performed the procedures enumerated below, which were agreed by the management of the Paincourtville Volunteer Fire Department, Inc. (a nonprofit organization), the Louisiana Legislative Auditor, and applicable state grantor agencies solely to assist the users in evaluating management's assertions about the Fire Department's compliance with certain laws and regulations during the year ended December 31, 2019, included in the accompanying *Louisiana Attestation Questionnaire*, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of the Fire Department is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Federal, State, and Local Awards

1. Obtain the list of federal, state, and local government grant award expenditures for the fiscal year, by grant and grant year, from the Fire Department's management.

The Fire Department received a grant from Assumption Parish Police Jury. The expenditures for the Fire Department were paid using funds from this grant.

2. For each federal, state, and local grant award, randomly select six disbursements from each grant administered during the fiscal year, provided that no more than 30 disbursements are selected.

We selected 6 disbursements, according to the procedure above, for the fiscal year. All disbursements were selected from the Assumption Parish Police Jury grant for testing.

3. Obtain documentation for the disbursements selected in Procedure 2. Compare the selected disbursements to supporting documentation, and report whether the disbursements agree to the amount and payee in the supporting documentation.

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

4. Report whether the selected disbursements were coded to the correct fund and general ledger account.

Three of the six disbursements that were not coded to the correct general ledger account.

5. Report whether the selected disbursements were approved in accordance with the Fire Department's policies and procedures.

Each of the selected disbursements were properly approved in accordance with the Fire Department's policies and procedures.

6. For each selected disbursement made for federal grant awards, obtain the *Compliance Supplement* for the applicable federal program. For each disbursement made for a state or local grant award, or for a federal program not included in the *Compliance Supplement*, obtain the grant agreement. Compare the documentation for each disbursement to the program compliance requirements or the requirements of the grant agreement relating to activities allowed or unallowed, eligibility, and reporting; and report whether the disbursements comply with these requirements.

Not applicable.

7. Obtain the close-out reports, if required, for any program selected in Procedure 2 that was closed out during the fiscal year. Compare the close-out reports, if applicable, with the Fire Department's financial records; and report whether the amounts in the close-out reports agree with the Fire Department's financial records.

No close-out requirements were indicated upon our review of the grant award.

Open Meetings

8. Obtain evidence from management that agendas for meetings recorded in the minute book were posted as required by Louisiana Revised Statute 42:11 through 42:28 (the open meetings law), and report whether there are any exceptions.

The Fire Department is only required to post meeting announcements and agendas on the fire station door. The Fire Department management represented that publications and agendas were posted on the door of the fire station for each meeting during the year.

Budget

9. For each grant exceeding five thousand dollars, obtain the comprehensive grant budgets that the agency provided to the applicable federal, state or local grantor agency. Report whether the budgets for federal, state and local grants included the purpose and duration of the grants; and whether budgets for state grants also included specific goals, objectives, and measures of performance.

The Fire Department must submit an annual budget to Assumption Parish Police Jury in order to receive the ad valorem tax proceeds allocated to the Fire Department. An annual budget was submitted as required.

State Audit Law

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

The Fire Department's report will be submitted to the Legislative Auditor before statutory due date of June 30, 2020.

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

The Fire Department's management represented that the Fire Department did not enter into any contracts during the year that were subject to the public bid law.



Prior-Year Comments

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

The prior year finding regarding uninsured deposits has not been resolved as of December 31, 2019.

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

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

Postlethwaite & Netterville

Donaldsonville, Louisiana
June 25, 2020

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)
April 30, 2020 (Date Transmitted)

Postlethwaite & Netterville, APAC (CPA Firm Name)
PO Box 1190 (CPA Firm Address)
Donaldsonville, LA 70346 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2019 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes [] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes [] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "[Open Meeting FAQs](#)," available on the Legislative Auditor's website to determine whether a non-profit agency is subject to the open meetings law.**

Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [] No []

Reporting

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

Prior-Year Comments

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

Yes [] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No []

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

Yes [] No []

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

Yes [] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [] No []

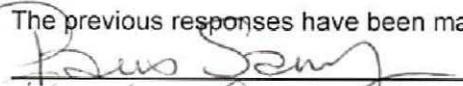
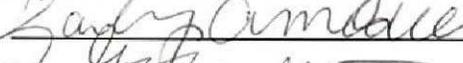
We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [] No []

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

| | | | |
|---|-----------|-----------------------|------|
|  | Secretary | <u>April 30, 2020</u> | Date |
|  | Treasurer | <u>April 30, 2020</u> | Date |
|  | President | <u>April, 30 2020</u> | Date |



Paincourtville Volunteer Fire Department
P.O. Box 308
Paincourtville, LA 70391
(985) 369-7134

CORRECTIVE ACTION PLAN

June 24, 2020

Louisiana Legislative Auditor

The Paincourtville Volunteer Fire Department, Inc. respectfully submits the following corrective action plan for the year ended December 31, 2019.

Name and address of independent public accounting firm:

Postlethwaite & Netterville, APAC
P.O. Box 1190
Donaldsonville, LA 70346

Audit Period: January 1, 2019 – December 31, 2019

The finding from the schedule of finding is discussed below. The finding is numbered consistently with the number assigned in the schedule of findings.

FINDINGS – SCHEDULE OF FINDINGS

2019-001 Deposit Security

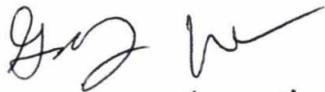
Recommendation: The Fire Department should comply with the requirements set forth in Louisiana Revised Statute 39:1225.

Management's Response: The Fire Department will transfer funds into a certificate of deposit account at another financial institution to ensure that all deposits are properly secured.

If the Legislative Auditor has questions regarding this plan, please call Gregory Barbier at (985) 513-4091.

Sincerely,

Gregory Barbier
President


6-25-20