

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

ANNUAL BASIC FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANTS' REPORT

Year Ended December 31, 2018

Royce T. Scimemi, CPA, APAC
Oberlin, LA

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Commissioners

Allen Parish Fire Protection District No. 6

Oakdale, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Allen Parish Fire Protection District No. 6 (District), a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2018, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the basic financial statements taken as a whole. Accordingly, we do not express such an opinion.

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

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

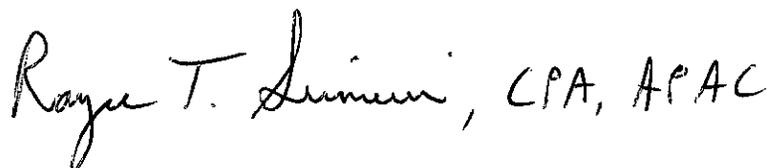
Other Matter Paragraphs

Required Supplementary Information. Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (on pages 2-6), the budgetary comparison schedule (on page 27), and the schedule of compensation paid to board members (on page 28) be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The required supplementary information is the responsibility of management. We have not audited the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide an assurance on it.

Other Supplementary Information. The accompanying schedule of compensation, benefits and other payments to chief executive officer (on page 30) is presented for purposes of additional analysis and is not a required part of the basic financial statements but is mandated by Louisiana Revised Statute 24:513(A)(3). Such information is the representation of management. We have reviewed that information and, based on our review, we are not aware of any material modifications that should be made to that information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the other supplementary information and, accordingly, do not express an opinion on such information.

Agreed-Upon Procedures. In accordance with the *Louisiana Governmental Audit Guide* and provisions of state law, we have issued our report dated June 11, 2019, on the results of certain agreed-upon procedures that we performed.

Royce T. Scimemi, CPA, APAC
June 11, 2019



ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Management's Discussion and Analysis

Within this section of the Allen Parish Fire Protection District No. 6 annual financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the fiscal year ended December 31, 2018 with comparisons to prior year results. The District's financial performance is discussed and analyzed within the context of the accompanying basic financial statements and disclosures following this section.

Financial Highlights

- The District's assets exceeded its liabilities by \$2,169,891 and \$1,855,589 (net position) for the fiscal years 2018 and 2017, respectively.
- For 2018, total revenues of \$552,676 exceeded total expenses of \$238,374, which resulted in a 2018 surplus of \$314,302. For 2017, total revenues of \$293,733 exceeded total expenses of \$248,179, which resulted in a prior year surplus of \$45,554.
- Total net position of \$2,169,891 is comprised of the following:
 - (1) Invested in capital assets of \$546,502 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt, if any, related to the purchase of capital assets.
 - (2) Restricted net position of \$222,863.
 - (3) Unrestricted net position of \$1,400,526.
- The District's governmental funds reported total ending fund balances of \$1,623,389 and \$1,257,720, for 2018 and 2017, respectively. Therefore, they reflect an increase of \$365,669 in 2018 and an increase of \$124,116 during 2017.
- At the end of the current fiscal year, unassigned fund balance for the governmental funds was \$1,252,732, or 670% of total governmental fund expenditures and 227% of total governmental fund revenues. At the end of the prior fiscal year, unassigned fund balance for the governmental funds was \$1,257,720 or 742% of total governmental fund expenditures and 428% of total governmental fund revenues.
- Overall, the District continues to maintain a solid financial position and is continuing to work to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Basic Financial Statements

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the District's assets and deferred outflows of resources together with all of the District's liabilities and deferred inflows of resources, with the difference reported as *net position*. Over

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Management's Discussion and Analysis (Continued)

time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the District's distinct activities or functions on revenues provided.

The government-wide financial statements are presented on pages 9 through 10 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others, if any, are combined into a single, aggregated presentation.

The District uses governmental funds as follows:

Governmental funds are reported in the fund financial statements and encompass the same function as governmental activities reported in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 13 through 16 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 17 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which consists of the following: (i) a general fund budgetary comparison schedule (page 27) which demonstrates compliance with the District's adopted and final revised budget, and (ii) the schedule of compensation paid to board members (page 28).

As other supplementary information, this report contains a schedule of compensation, benefits and other payments to the chief executive officer (page 30), as required by Louisiana Revised Statutes 24:513(A)(3).

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Management's Discussion and Analysis (Continued)

Financial Analysis of the District as a Whole

The District's net position at fiscal year-end December 31, 2018 and December 31, 2017 was \$2,169,891 and \$1,885,589 respectively. The following table provides a summary of the District's net position:

	<u>2018</u>		<u>2017</u>	
Assets:				
Current assets	\$ 1,476,822	60%	\$ 1,265,798	58%
Capital assets	843,725	34	919,283	42
Other assets	<u>147,800</u>	<u>6</u>	<u>-</u>	<u>-</u>
Total assets	<u>2,468,347</u>	<u>100%</u>	<u>2,185,081</u>	<u>100%</u>
Deferred outflows of resources	<u>-</u>	<u>-%</u>	<u>-</u>	<u>-%</u>
Liabilities:				
Current liabilities	28,456	10%	34,492	10%
Long-term liabilities	<u>270,000</u>	<u>90</u>	<u>295,000</u>	<u>90</u>
Total liabilities	<u>298,456</u>	<u>100%</u>	<u>329,492</u>	<u>100%</u>
Deferred inflows of resources	<u>-</u>	<u>-%</u>	<u>-</u>	<u>-%</u>
Net position:				
Investment in capital assets, net of debt	546,502	25%	597,869	32%
Restricted	222,863	10	173,334	9
Unrestricted	<u>1,400,526</u>	<u>65</u>	<u>1,084,386</u>	<u>59</u>
Total net position	<u>\$ 2,169,891</u>	<u>100%</u>	<u>\$ 1,855,589</u>	<u>100%</u>

The District continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratios are 51.90 to 1 and 36.70 to 1 for the current and prior fiscal years, respectively. Note that approximately 25% of the governmental activities' net position are tied up in capital assets. The District uses these capital assets to provide services to its citizens.

Overall, the District reports net position of \$2,169,891 and \$1,855,589 for 2018 and 2017, respectively. These amounts reflect increases in net position of \$314,302 and \$45,554 for 2018 and 2017, respectively. The District has \$546,502 invested in capital assets, net of \$295,000 in related bond debt, accrued interest of \$2,223 and \$1,246,384 in accumulated depreciation. The District's overall financial position improved significantly during fiscal year 2018. It remains financially strong from a liquidity standpoint for a District of its size.

The following table provides a summary of the District's changes in net position:

	<u>2018</u>		<u>2017</u>	
Revenues:				
Program:				
Operating grants and contributions	\$ 10,502	2%	\$ 11,590	4%
General:				
Ad valorem tax revenues	540,078	98	259,509	88
Miscellaneous income	-	-	20,922	7
Interest income	<u>2,096</u>	<u>-</u>	<u>1,712</u>	<u>1</u>
Total revenues	<u>552,676</u>	<u>100%</u>	<u>293,733</u>	<u>100%</u>
Expenses:				
Program expenses:				
Fire-fighting and rescue	230,673	97%	238,415	96%
Interest on long-term debt	<u>7,701</u>	<u>3</u>	<u>9,764</u>	<u>4</u>
Total expenses	<u>238,374</u>	<u>100%</u>	<u>248,179</u>	<u>100%</u>

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Management's Discussion and Analysis (Continued)

Change in net position	314,302	45,554
Beginning net position	<u>1,855,589</u>	<u>1,810,035</u>
Ending net position	<u>\$ 2,169,891</u>	<u>\$ 1,855,589</u>

Governmental Revenues

The District is heavily reliant on property taxes to support its operations. Property taxes provided 98% of the District's revenues.

Governmental Functional Expenses

The total function of the District is fire-fighting and rescue. The only other non-functional cost is interest expense related to the general obligation bonds. Of the total cost, depreciation on the property and equipment was \$112,311 for 2018 and \$125,302 for 2017 or 47% and 50% of total expenses in 2018 and 2017, respectively.

Financial Analysis of the District's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

Governmental funds reported an ending fund balance of \$1,623,389 for 2018. Non spendable fund balance amounted to \$147,800 for a fire truck deposit. Legally restricted fund balance amounted to \$222,857 and was restricted for debt service. As a result, the unassigned fund balance was \$1,252,732 at the end of 2018.

The total governmental funds fund balance increased by \$365,669 in 2018 and increased by \$124,116 in 2017.

Major Governmental Funds

The General Fund is the District's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$316,146 and \$87,048 in 2018 and 2017, respectively. In fiscal year 2018, revenues exceeded prior year figures by \$247,528, an increase of 111% primarily attributable to increased ad valorem taxes; resulting primarily from the expiration of tax abatements. Operating expenditures increased by \$18,430 in 2018 after having increased by \$16,923 in 2017. The 13% increase in expenditures from 2017 to 2018 is largely attributable to increases in capital outlay and repairs expenditures.

The Debt Service Fund accumulates resources for the payment of long-term debt. The fund balance in the Debt Service Fund increased by \$49,523 in 2018. The District reported a \$222,857 restricted fund balance in the Debt Service Fund since the related bonds have ad valorem taxes pledged for debt service.

Budgetary Highlights

The General Fund – As adopted, the original 2018 budget reflected that tax revenues would increase by \$15,000 or 10% while intergovernmental revenues would slightly increase in comparison to the previous year's final budget. The original 2018 budget also reflected a slight decrease in expenditures in comparison to the previous year's final budget. The amended 2018 budget reflected an expected increase in revenues of \$10,000 and an expected increase in expenditures of \$196,625 more than the original budget primarily due to anticipated capital outlay spending. For the fiscal year ended December 31, 2018, actual revenues exceeded budgeted amounts by \$289,061. Actual expenses for the current year were \$188,235 less than the budgeted amount of \$343,350. The budget was amended once during the current year.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Management's Discussion and Analysis (Continued)

Capital Assets and Debt Administration

Capital assets

The District's investment in capital assets, net of accumulated depreciation as of December 31, 2018 and 2017, was \$843,725 and \$919,283, respectively. See Note D for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital asset activity.

	<u>2018</u>	<u>2017</u>
Nondepreciable assets - Land	\$ 34,224	34,224
Depreciable assets:		
Buildings and improvements	432,294	433,244
Furniture and fixtures	4,353	4,353
Machinery and equipment	654,827	664,688
Vehicles	<u>964,411</u>	<u>964,411</u>
Total depreciable assets	2,055,885	2,066,696
Less accumulated depreciation	<u>1,246,384</u>	<u>1,181,637</u>
Book value-depreciable assets	\$ <u>809,501</u>	<u>885,059</u>
Percentage depreciated	<u>61%</u>	<u>57%</u>
Book value-all assets	\$ <u>843,725</u>	\$ <u>919,283</u>

Long-term debt

At the end of the fiscal year, the District had total general obligation bonds outstanding of \$295,000. These bond obligations were secured by debt service fund revenues. During the year 2018, the District retired, with normal debt service payments, \$24,000 of the general obligation bonds. See Note E for additional information regarding long-term debt.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the District's Treasurer, Tina Williams, at (318) 335-1536.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

Allen Parish Fire Protection District No. 6
Statement of Net Position
December 31, 2018

	Primary Government
	Governmental Activities
ASSETS	
Cash and interest-bearing deposits	\$ 800,876
Cash and interest-bearing deposits, restricted	142,578
Ad valorem taxes receivable	452,407
Ad valorem taxes receivable - restricted	80,285
Accrued interest receivable	676
Equipment deposit	147,800
Land	34,224
Capital assets, net	809,501
Total Assets	2,468,347
DEFERRED OUTFLOWS OF RESOURCES	
Aggregated deferred outflows	--
Total Deferred Outflows of Resources	--
LIABILITIES	
Accounts payable	1,233
Accrued interest payable	2,223
Long-term liabilities	
Due within one year	25,000
Due after one year	270,000
Total Liabilities	298,456
DEFERRED INFLOWS OF RESOURCES	
Aggregated deferred inflows	--
Total Deferred Inflows of Resources	--
NET POSITION	
<i>Invested in capital assets, net of related debt</i>	546,502
<i>Restricted for debt service</i>	222,863
<i>Unrestricted</i>	1,400,526
Total Net Position	\$ 2,169,891

See independent accountants' review report and accompanying notes.

**Allen Parish Fire Protection District No. 6
Statement of Activities
For the Year Ended December 31, 2018**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Government Governmental Activities</u>
Primary Government					
Governmental Activities:					
Fire fighting and rescue	\$ 230,673	\$ --	\$ 10,502	\$ --	\$ (220,171)
Interest and fiscal charges	7,701	--	--	--	(7,701)
Total Governmental Activities	\$ 238,374	\$ --	\$ 10,502	\$ --	(227,872)
General Purpose Revenues:					
Revenues					
					540,078
					2,096
					<u>542,174</u>
					314,302
					1,855,589
					<u>\$ 2,169,891</u>

See independent accountants' review report and accompanying notes.

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

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

Debt Service Fund

To account for the accumulation of resources for and the payment of long-term debt.

**Allen Parish Fire Protection District No. 6
Balance Sheet
Governmental Funds
December 31, 2018**

	<u>General</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and interest-bearing deposits	\$ 800,876	\$ --	\$ 800,876
Cash and interest-bearing deposits, restricted	--	142,578	142,578
Ad valorem taxes receivable	452,407	--	452,407
Ad valorem taxes receivable - restricted	--	80,285	80,285
Accrued interest receivable	676	--	676
Due from other funds	6	--	6
Equipment deposit	147,800	--	147,800
Total Assets	1,401,765	222,863	1,624,628
DEFERRED OUTFLOWS OF RESOURCES			
Aggregated deferred outflows	--	--	--
Total Assets and Deferred Outflows of Resources	\$ 1,401,765	\$ 222,863	\$ 1,624,628
LIABILITIES			
Accounts payable	\$ 1,233	\$ --	\$ 1,233
Due to other funds	--	6	6
Total Liabilities	1,233	6	1,239
DEFERRED INFLOWS OF RESOURCES			
Aggregated deferred inflows	--	--	--
Total Liabilities and Deferred Inflows of Resources	1,233	6	1,239
FUND BALANCE			
Nonspendable	147,800	--	147,800
Restricted	--	222,857	222,857
Unassigned	1,252,732	--	1,252,732
Total Fund Balances	1,400,532	222,857	1,623,389
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,401,765	\$ 222,863	\$ 1,624,628

See independent accountants' review report and accompanying notes.

Allen Parish Fire Protection District No. 6
Reconciliation of Governmental Funds Balance Sheet with the Statement of Net Position
December 31, 2018

Total Fund Balances - Governmental Funds	\$	1,623,389
Accrued interest payable is accrued on Statement of Net Position and expensed on the Statement of Activities. Interest is expensed on a cash basis on the Statement of Revenues, Expenditures, and Changes in Fund Balance.		(2,223)
Fixed assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balances.		843,725
Long- term debt is reflected on Statement of Net Position and not in governmental funds balance sheet.		(295,000)
Total Net Position-Governmental Funds	\$	<u>2,169,891</u>

See independent accountants' review report and accompanying notes.

Allen Parish Fire Protection District No. 6
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	<u>Debt Service</u>		<u>Total Governmental Funds</u>
	<u>General</u>	<u>Debt Service Fund</u>	
Revenues			
Ad valorem taxes	\$ 458,762	\$ 81,316	\$ 540,078
Intergovernmental	10,502	--	10,502
Interest income	1,997	99	2,096
Total Revenues	<u>471,261</u>	<u>81,415</u>	<u>552,676</u>
Expenditures			
Current:			
Advertising	970	--	970
Automobile	3,695	--	3,695
Bank service charges	67	--	67
Contract labor	27,324	--	27,324
Dues and subscriptions	--	--	0
Election costs	2,950	--	2,950
Insurance	21,832	--	21,832
Professional fees	7,335	--	7,335
Repairs and maintenance	36,817	--	36,817
Supplies	2,536	--	2,536
Telephone	2,499	--	2,499
Training	40	--	40
Postage and delivery	139	--	139
Utilities	8,432	--	8,432
Capital outlay	40,479	--	40,479
Debt service:			
Principal retirement	--	24,000	24,000
Interest and fiscal charges	--	7,892	7,892
Total Expenditures	<u>155,115</u>	<u>31,892</u>	<u>187,007</u>
Net Change in Fund Balance	316,146	49,523	365,669
<i>Fund Balance at Beginning of Period</i>	<u>1,084,386</u>	<u>173,334</u>	<u>1,257,720</u>
Fund Balance at End of Period	<u>\$ 1,400,532</u>	<u>\$ 222,857</u>	<u>\$ 1,623,389</u>

See independent accountants' review report and accompanying notes.

Allen Parish Fire Protection District No. 6
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances with Statement of Activities
For the Year Ended December 31, 2018

Total Net Change in Fund Balances - Governmental Funds	\$	365,669
Basis in assets disposed of during the year.		(3,726)
Fixed assets expensed as capital outlay in governmental fund statements, capitalized as fixed assets in Statement of Net Position.		40,479
Principal payments on long-term debt expensed in governmental fund statements and treated as reductions of outstanding debt in entity-wide statements.		24,000
Depreciation expense reflected in entity-wide statements, not reflected in governmental fund statements.		(112,311)
Accrued interest expense included in Statement of Activities, expensed as paid in governmental fund statements.		191
Changes in Net Position-Governmental Funds	\$	<u>314,302</u>

See independent accountants' review report and accompanying notes.

ALLEN PARISH FIRE PROTECTION DISTRICT #6
Oakdale, Louisiana

Notes to the Basic Financial Statements
December 31, 2018

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Financial Reporting Entity

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

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Allen Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

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

Because the police jury appoints all members to the governing body and has the ability to impose its will on the District, the District was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. The accompanying basic financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity. The District has no component units.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to the Basic Financial Statements – Continued
December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The accompanying basic financial statements have been prepared in conformity with GASB 34, “Basic Financial Statements and Management’s Discussion and Analysis-For State and Local Governments”, issued in June 1999.

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the District as a whole. These statements generally include all the financial activities of the District except for fiduciary-agency funds. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities 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 and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB 33, “Accounting and Financial Reporting for Nonexchange Transactions.”

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include operating grants and contributions. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements (FFS)

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

Governmental Fund Types:

General Fund -

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

Debt Service Fund -

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to the Basic Financial Statements – Continued
December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Measurement Focus/Basis of Accounting

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

The amounts reflected in the governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund 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 District operations. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

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

Revenues

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

Expenditures

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

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to the Basic Financial Statements -- Continued
December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Deposits

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

5. Accounts Receivable

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

6. Capital Assets

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

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

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

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

7. Budget

A general fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. On or before the last meeting of each year, the budget is prepared by function and activity, based on information from the past year and current year estimates for the next fiscal year. The proposed budget is presented to the District's Board of Commissioners for review. The board holds a public hearing. Any changes in the budget must be within the revenues and reserves estimated. The final budget for 2018 consists of the original budget adopted December 12, 2017, which was amended once and that amendment was adopted on December 13, 2018.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to the Basic Financial Statements – Continued
December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Encumbrances

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

9. Equity Classification

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definitions of a or b above.

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

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

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

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to the Basic Financial Statements – Continued
December 31, 2018

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Use of Estimates

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

11. Long-Term Debt

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

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

12. Subsequent Review

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

NOTE B – DEPOSITS

As of December 31, 2018, the District had cash and interest-bearing deposits (book balances) totaling \$943,454. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2018, the District had \$953,327 in deposits (collected bank balances), all of which was secured from risk by federal deposit insurance and pledged securities as follows:

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2018

Bank balances	<u>\$ 953,327</u>
Federal deposit insurance	\$ 604,411
Pledged securities (Category 3)	<u>348,916</u>
Total	<u>\$ 953,327</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - AD VALOREM TAXES

For the year ended December 31, 2018, taxes of 13.27 mills were levied on property with taxable assessed valuations totaling \$42,064,552 dedicated as follows:

Maintenance millage expiring December 31, 2027	11.27 mills
Debt service millage expiring December 31, 2027	2.00 mills

Total taxes levied during 2018 were \$558,197. Total taxes collected during 2018 were \$270,279. Property tax millage rates are adopted before November for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien.

NOTE D - CAPITAL ASSETS

A summary of changes in capital assets follows:

	12/31/17			12/31/18
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Capital assets not being depreciated:				
Land	\$ 34,224	\$ -	\$ -	\$ 34,224
Other capital assets:				
Buildings and improvements	433,244	-	950	432,294
Furniture and fixtures	4,353	-	-	4,353
Machinery and equipment	664,688	40,479	50,340	654,827
Vehicles	<u>964,411</u>	<u>-</u>	<u>-</u>	<u>964,411</u>
Total Capital Assets	2,100,920	40,479	51,290	2,090,109
Less: accumulated depreciation:				
Buildings and improvements	134,291	11,455	228	145,518
Furniture and fixtures	2,808	199	-	3,007
Machinery and equipment	436,318	62,153	47,336	451,135
Vehicles	<u>608,220</u>	<u>38,504</u>	<u>-</u>	<u>646,724</u>
Total Accumulated Depreciation	<u>1,181,637</u>	<u>112,311</u>	<u>47,564</u>	<u>1,246,384</u>
Net Capital Assets	<u>\$ 919,283</u>	<u>\$ (71,832)</u>	<u>\$ 3,726</u>	<u>\$ 843,725</u>

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2018

Depreciation expense in the amount of \$112,311 was charged to fire fighting and rescue in 2018.

NOTE E - LONG-TERM DEBT

1. Debt Outstanding

Bonds payable at December 31, 2018 is comprised of the following issue:

\$ 400,000 general obligation bonds dated March 11, 2015; due in annual installments of \$14,000 to \$34,000 through March 15, 2028; interest at 2.57% (this issue secured by levy and collection of ad valorem taxes)	<u>\$ 295,000</u>
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The following is a summary of the long-term debt transactions during the year 2018:

Long-term debt payable at December 31, 2017	\$	319,000
Additions		-
Reductions		<u>24,000</u>
Long-term debt payable at December 31, 2018		<u>\$ 295,000</u>

2. Debt Service Requirements to Maturity

The annual requirements to amortize the bond issue including interest payments are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$25,000	\$ 7,260	\$32,260
2020	26,000	6,605	32,605
2021	27,000	5,924	32,924
2022	28,000	5,217	33,217
2023	29,000	4,485	33,485
2024 through 2028	<u>160,000</u>	<u>10,538</u>	<u>170,538</u>
Totals	<u>\$295,000</u>	<u>\$40,029</u>	<u>\$335,029</u>

NOTE F - COMPONENTS OF RESTRICTED ASSETS

Debt service restricted assets consisted of \$142,578 in cash and \$80,285 in ad valorem taxes receivable that are restricted to debt service.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued
December 31, 2018

NOTE G - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE H - LITIGATION AND CLAIMS

The District was not involved in any litigation on December 31, 2018 or during the year then ended, except that the District was named as a defendant on one lawsuit involving an automobile accident. However, no District vehicle or personnel were actually involved in the accident and based on management's opinion, the ultimate disposition of such claim and legal proceeding is not expected to have a material adverse effect on the District's financial position or changes in financial position. If the District is liable at all, management expects any losses or liability to be fully covered by the District's liability insurance coverage.

NOTE I - SUBSEQUENT REVIEW

The District has evaluated subsequent events through June 11, 2019, the date which the basic financial statements were available to be issued.

NOTE J - TAX ABATEMENTS

Louisiana's State Constitution Article VII, Section 21 authorized the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment relating to manufacturing for the first ten years of its operation; after which the property will be added to the local tax roll and taxed at the value and millages in force at the time. The future value of this exempt property could be subject to significant fluctuation from today's value; however, the District could receive an increase in ad valorem tax revenues once the exemption on this property expires. All applicable agreements have been entered into by the Allen Parish Police Jury and directly affect the District's ad valorem assessments. Because these taxes are not assessed or due, no adjustments have been made to the District's basic financial statements to record a receivable. As of December 31, 2018, \$4,439,470 of assessed property in the District's taxing jurisdiction is receiving this exemption. This resulted in ad valorem tax exemptions amounting to \$8,879 and \$50,033 for the bond and maintenance millages, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

Allen Parish Fire Protection District No. 6
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
Revenues				
Ad Valorem taxes	\$ 160,000	\$ 170,000	\$ 458,762	\$ 288,762
Intergovernmental income	11,000	11,000	10,502	(498)
Interest income	1,000	1,200	1,997	797
Total Revenues	<u>172,000</u>	<u>182,200</u>	<u>471,261</u>	<u>289,061</u>
Expenditures				
Current:				
Advertising	500	1,300	970	330
Automobile	7,000	5,000	3,695	1,305
Bank service charges	175	100	67	33
Contract labor	35,000	27,500	27,324	176
Dues and subscriptions	1,000	500	--	500
Election costs	--	--	2,950	(2,950)
Insurance	25,000	23,000	21,832	1,168
Professional fees	7,500	9,000	7,335	1,665
Repairs and maintenance	25,000	45,000	36,817	8,183
Supplies	10,500	4,000	2,536	1,464
Telephone	2,100	2,500	2,499	1
Training	750	250	40	210
Postage and delivery	200	200	139	61
Utilities	7,000	10,000	8,432	1,568
Capital outlay	25,000	215,000	40,479	174,521
Total Expenditures	<u>146,725</u>	<u>343,350</u>	<u>155,115</u>	<u>188,235</u>
Net Change in Fund Balance	25,275	(161,150)	316,146	477,296
<i>Fund Balance at Beginning of Period</i>	1,084,386	1,084,386	1,084,386	--
Fund Balance at End of Period	<u>\$ 1,109,661</u>	<u>\$ 923,236</u>	<u>\$ 1,400,532</u>	<u>\$ 477,296</u>

See independent accountants' review report and accompanying notes.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Schedule of Compensation Paid to Board Members

Year Ended December 31, 2018

Randy Deshotel	\$ 420
Harlan Fontenot	240
Johnny Glenn	390
Everett Lovejoy	360
Jerrod Wheat	<u>420</u>
Total Compensation Paid to Board Members	<u>\$1,830</u>

See independent accountants' review report and accompanying notes.

OTHER SUPPLEMENTARY INFORMATION

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

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

Year Ended December 31, 2018

Chief Executive Officer: Jerrod Wheat, President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -0-
Benefits-insurance	-0-
Benefits-retirement	-0-
Benefits-cell phone	-0-
Car allowance	-0-
Vehicle provided by government	-0-
Per diem	420
Reimbursements	-0-
Travel	-0-
Registration fees	-0-
Conference travel	-0-
Continuing professional education fees	-0-
Housing	-0-
Unvouchered expenses	-0-
Special meals	-0-

See independent accountants' review report and accompanying notes.

ROYCE T. SCIMEMI, CPA, APAC

CERTIFIED PUBLIC ACCOUNTANT

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Oberlin, LA 70655

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American Institute of
Certified Public Accountants

Member
Society of Louisiana
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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

June 11, 2019

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Allen Parish Fire Protection District No. 6 (District) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2018 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the District is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. 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.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$154,450, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2296 (the public bid law) or LSA-R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

We reviewed all disbursements made during 2018. There was one disbursement in excess of \$30,000 for materials and supplies made during the year then ended December 31, 2018. The disbursement was for the purchase of camera equipment in the amount of \$10,375 which may not have been in compliance with the Public Bid Law. The District was required to obtain three phone or fax quotes on this purchase. No other phone or fax quotes were provided other than the one received from the vendor actually providing the equipment. There were no disbursements in excess of \$154,450 for public works made in 2018.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list including the noted information.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

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

Budgeting

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

Management provided us with a copy of the original and the amended budgets.

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

We traced the adoption of the original budget to the minutes of a meeting held on December 12, 2017, which indicated that the commissioners had adopted the original budget unanimously. There was one budget amendment during the year. We traced the adoption of the amended budget to the minutes of a meeting held on December 13, 2018, which indicated that the commissioners had adopted the amended budget unanimously.

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

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

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- a. trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b. determine if payments were properly coded to the correct fund and general ledger account; and

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

- c. determine whether payments received approval from proper authorities.

The payments received proper approvals.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:28 (the open meetings law).

The District is only required to post a notice of each meeting and the accompanying agenda at the building where the meeting is to be held with such posting to be at least 24 hours in advance of the meeting. Sufficient evidence of compliance was provided.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We examined all bank deposits recorded in the District's records for the period under examination and noted no deposits which appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

Our review of the District's records and minutes indicated no discussion or authorization for any payments that would constitute bonuses, advances or gifts. Our review of the District's payroll records for the year did not reveal any instances which would indicate payments that would constitute bonuses, advances, or gifts.

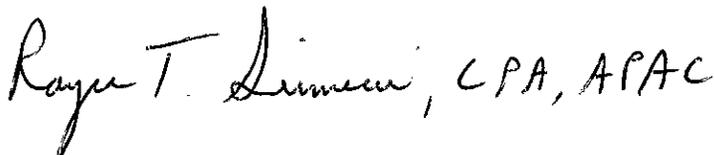
Prior Comments and Recommendations

12. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

Our prior year report, dated June 12, 2018, did not include any comments or unresolved matters.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report is intended solely for the use of management of the Allen Parish Fire Protection District No. 6 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

Royce T. Scimemi, CPA, APAC



ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Allen Parish, Louisiana

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

May 30, 2019
(Date Transmitted)

Royce T. Scimemi, CPA, APAC
Attn: Mr. Royce T. Scimemi
P. O. Box 210
Oberlin, LA 70655

In connection with your review of our financial statements as of December 31, 2018 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. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of this 30 day of May, 2019 (the date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No []

Code of Ethics for Public Officials and Public Employees

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

Yes [] No []

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

Yes [] No []

Budgeting

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

Yes [] No []

Accounting and Reporting

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

Yes [] No []

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

Yes [] No []

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 []

Meetings

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

Yes [] No []

Debt

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

Yes [] No []

Advances and Bonuses

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

Yes [] No []

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.

<u>Jina Williams</u>	Secretary	<u>5-30-19</u>	Date
<u>Jina Williams</u>	Treasurer	<u>5-30-19</u>	Date
<u>[Signature]</u>	President	<u>5-30-19</u>	Date

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6
Oakdale, Louisiana

SUMMARY OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2018

1) Summary of Accountants' Results

- a) Accountants issued a review report on the basic financial statements.
- b) *The attestation procedures yielded evidence of one noncompliance.*

2) Findings – Basic Financial Statement

Finding #2018-1 C:

Louisiana Public Bid Law Compliance

- Criteria:** The District purchased camera equipment in the amount of \$10,375 that may not have been in compliance with the Louisiana Public Bid Law, under which the District was required to have documentation of 3 phone or facsimile quotes on this purchase. No documentation of such quotes was provided other than the quote from the selling vendor.
- Cause:** Documentation of compliance with the Louisiana Public Bid Law was not gathered at the time the purchases were made.
- Effect:** Possible violation of the Louisiana Public Bid Law.
- Recommendation:** The Board should monitor large purchases to ensure compliance with the Louisiana Public Bid Law and obtain adequate documentation of such compliance at the time of purchase.
- Response:** The Board will monitor large purchases in the future to ensure compliance with the Louisiana Public Bid Law and adequate documentation of such compliance is obtained at the time of purchase.

Prior Year Findings:

None

Findings and Questioned Costs for Federal Awards:

N/A