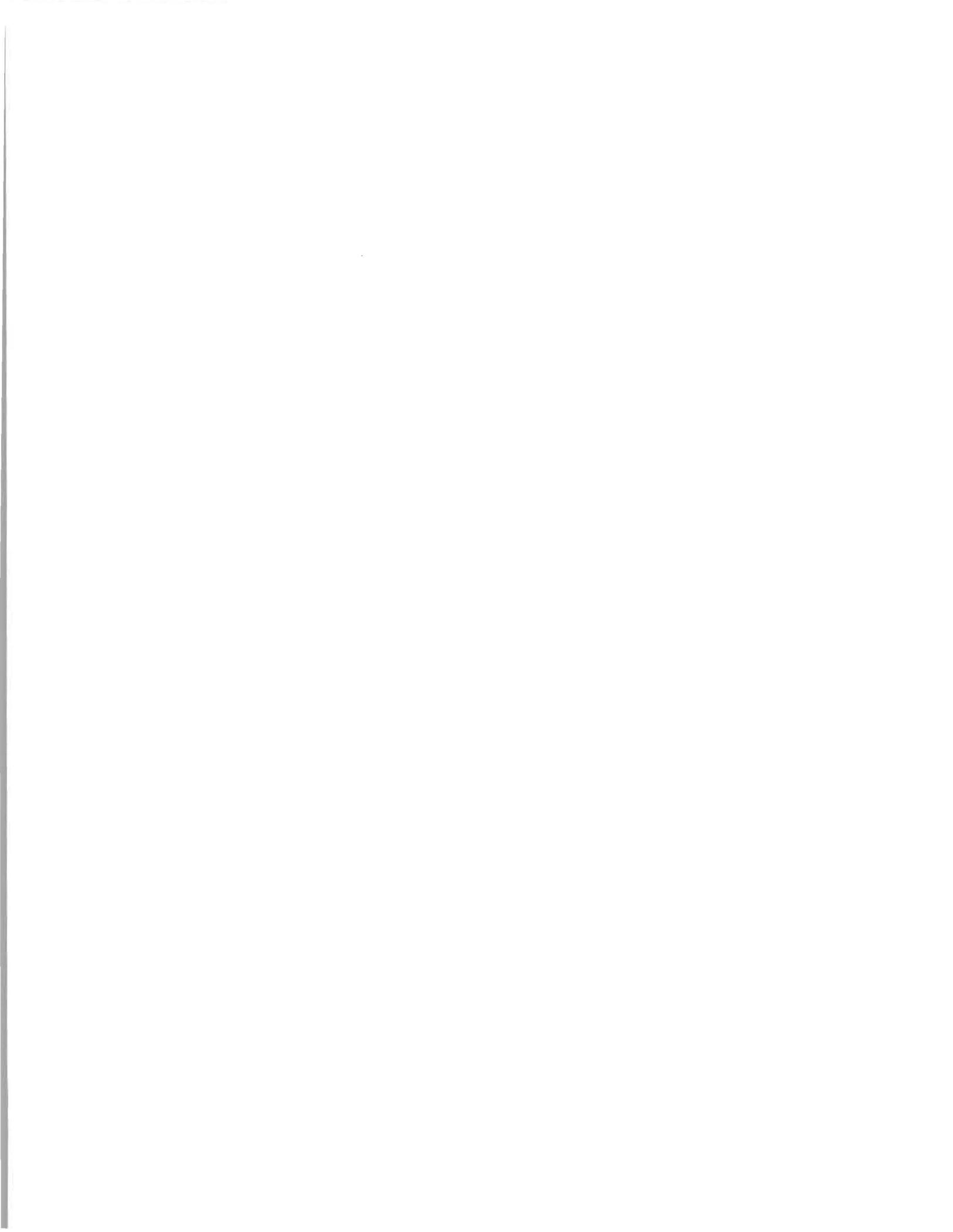


ST. LANDRY PARISH FIRE PROTECTION  
DISTRICT NO. III

FINANCIAL REPORT

DECEMBER 31, 2018



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**VIGE, TUJAGUE  NOEL**

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2<sup>ND</sup> STREET  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.  
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:  
337-457-9324  
FAX:  
337-457-8743

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
St. Landry Parish Fire Protection District No. III  
Opelousas, Louisiana

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities of St. Landry Parish Fire Protection District No. III as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Fire District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial

statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the St. Landry Parish Fire Protection District No. III, as of December 31, 2018, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of employer's share of net pension liability, and schedule of employer pension contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The St. Landry Parish Fire Protection District No. III has not presented a management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

#### ***Other Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements of the St. Landry Parish Fire Protection District No. III. The accompanying schedule of compensation, benefits, and other payments to agency head, as listed in the table of contents, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule of compensation, benefits, and other payments to agency head is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the

underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits and other payments is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2019, on our consideration of the St. Landry Parish Fire Protection District No. III's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering St. Landry Parish Fire Protection District No. III's internal control over financial reporting and compliance.



Vige, Tujague & Noël, CPA's  
Eunice, Louisiana  
June 17, 2019

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS  
(GWFS)

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Statement of Net Position  
December 31, 2018

	2018
<b>ASSETS</b>	
Cash and equivalents	\$ 1,340,526
Investments, at cost	474,815
Receivables (net of allowance for uncollectibles):	
Ad valorem	2,775,855
State revenue sharing	175,590
Accrued interest receivable	2,440
Prepaid items	8,153
Capital assets, net	1,059,993
Total assets	5,837,372
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pensions	938,243
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	263,098
Accrued liabilities	26,931
Pension deduction payable	94,541
Total current liabilities	384,570
Noncurrent liabilities:	
Net pension liability	3,803,142
Total liabilities	4,187,712
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows related to pensions	1,095,884
Net Position:	
Investments in capital, net of related debt	1,059,993
Unrestricted	432,026
Total net position	\$ 1,492,019

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Statement of Activities  
For the Year Ended December 31, 2018

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		Net (Expense)
		<u>Fees, Fines, and Charges for Services</u>	<u>Capital and Operating Grants</u>	<u>Revenue and Changes in Net Assets</u>
				Governmental Activities
Governmental activities:				
General government				
Public safety	\$ 3,731,566	\$ -	\$ 273,591	\$ (3,457,975)
Total governmental activities	<u>\$ 3,731,566</u>	<u>\$ -</u>	<u>\$ 273,591</u>	<u>(3,457,975)</u>

General revenues:

Taxes	
Ad valorem taxes	2,904,722
Intergovernmental revenues	
State revenue sharing	173,518
Fire insurance rebate	88,914
State supplemental pay	200,880
Interest and investment earnings	147,567
Nonemployer pension contributions	198,565
Net (decrease) in fair value of investments	1,059
Gain on sales of capital assets	10,744
Miscellaneous income	20,627
Total general revenues	<u>3,746,596</u>
Change in net position	288,621
Net position - December 31, 2017	<u>1,203,398</u>
Net position - December 31, 2018	<u>\$ 1,492,019</u>

The accompanying notes are an integral part of the basic financial statements.

## FUND FINANCIAL STATEMENTS

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
 Balance Sheet  
 Governmental Fund  
 December 31, 2018

	2018
<b>ASSETS</b>	
Cash	\$ 1,340,526
Investments	474,815
Receivables:	
Ad valorem	2,775,855
State revenue sharing	175,590
Prepaid items	8,153
Total assets	\$ 4,774,939
<b>LIABILITIES AND FUND BALANCES</b>	
Deferred inflows of resources:	
Unavailable revenues - property taxes	\$ 225,586
Total deferred inflows of resources	225,586
Liabilities:	
Accounts payable	263,098
Pension deduction payable	94,541
Accrued liabilities	26,931
Total liabilities	384,570
Fund balances:	
Fund balances - Unassigned	4,164,783
Total fund balances	4,164,783
Total liabilities and fund balances	\$ 4,774,939

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
 Reconciliation of the Governmental Funds Balance Sheet  
 to the Statement of Net Position  
 December 31, 2018

Total fund balance for governmental funds  
 at December 31, 2018 \$ 4,164,783

Total net position reported for governmental  
 activities in the statement of net position is  
 different because:

The statement of net position reports receivables at  
 their net value. However, receivables not available  
 to pay for current period expenditures are deferred  
 in governmental funds.

Property tax 225,586

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

Land	\$ 42,681	
Building, net of \$675,018 accumulated depreciation	296,812	
Equipment, net of \$3,552,015 accumulated depreciation	<u>720,500</u>	1,059,993

Amounts related to pension recognition are not due and  
 payable in the current period and, therefore, are not  
 reported in the funds (3,960,783)

Accrued interest receivable 2,440

Total net position of governmental activities at December 31, 2018 \$ 1,492,019

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Statement of Revenues, Expenditures,  
and Changes in Fund Balance - Governmental Fund  
Year Ended December 31, 2018

	2018
Revenues:	
Taxes:	
Ad valorem	\$ 2,887,924
Intergovernmental:	
State revenue sharing	173,518
Fire insurance rebate	88,914
State supplemental pay	200,880
Interest income	145,542
Net increase (decrease) in fair value of investments	1,059
Other	294,218
Total Revenues	3,792,055
Expenditures:	
Current:	
Public safety	3,156,798
Capital outlay	303,758
Total Expenditures	3,460,556
Excess (deficiency) of revenues over expenditures	331,499
Other financing sources (uses):	
Proceeds from sale of capital assets	10,744
Total other financing sources (uses)	10,744
Excess of revenues and other sources over expenditures and other uses	342,243
Fund balance, beginning	3,822,540
Fund balance, ending	\$ 4,164,783

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
 Reconciliation of the Statement of Revenues, Expenditures, and  
 Changes in Fund Balances of Governmental Funds to  
 the Statement of Activities  
 For the Year Ended December 31, 2018

Total net changes in fund balance at December 31, 2018 per Statement of Revenues, Expenditures and Changes in Fund Balances		\$ 342,243
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds defer revenues that do not provide current financial resources. However, the statement of activities recognizes such revenues at their net realizable value when earned, regardless of when received.		
Property tax		16,798
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 303,758	
Depreciation expense for the year ended December 31, 2018	<u>(305,158)</u>	(1,400)
Net effect of pension liability recognition		(71,045)
Accrued interest receivable		<u>2,025</u>
Total changes in net position at December 31, 2018 per Statement of Activities		<u>\$ 288,621</u>

The accompanying notes are an integral part of the basic financial statements.

# ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

## Notes to Financial Statements

### **Note 1.** Summary of Significant Accounting Policies

The accounting and reporting practices of the St. Landry Parish Fire Protection District No. III conform to generally accepted accounting principles of the United States of America as applicable to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

#### Reporting entity:

The St. Landry Parish Fire Protection District No. III is a component unit of the St. Landry Parish Police Jury. The District was established to provide fire protection for the residents of the District.

#### Basis of Presentation

##### Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the St. Landry Parish Fire Protection District No. III, as a whole. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for each function 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 (a) fees, fines, and charges paid by the recipients of goods and services offered by the programs, and (b) requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

#### Fund Financial Statement:

The District uses one fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

The general fund, a governmental fund type, is the general operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds.

#### Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

#### Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as described below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

#### Basis of Accounting

In the government-wide statement of net position and statements of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues,

## ST. LANDRY FIRE PROTECTION DISTRICT NO. III

### Note to Financial Statements

expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Fees and non tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Available means collectible within the current period or soon enough thereafter to pay current liabilities, usually 60 days. Those revenues susceptible to accrual are ad valorem and state revenue sharing income.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

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

Uncollectible ad valorem taxes are estimated based on prior year's history.

#### Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's revenues.

#### Allocation of indirect expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to these functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

#### Use of estimates in the preparation of financial statements:

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

#### Concentration of Risks

Concentration of risks with respect the District is subject to the conditions of the limited geographical area of the District.

#### Budgets:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to January 1, the Chairman submits to the Board a proposed operating budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through the passage of a resolution; amendments are also legally enacted through the passage of a resolution.
4. The budget for the general fund is adopted on a fund financial statement basis.
5. The budget for the general fund is employed as a management control device during the year.

All budget appropriations lapse at year end. Revenues may not legally fall short of budgeted amounts by more than five percent and expenditures may not legally exceed budgeted appropriations by more than five percent at the individual fund level. Actual expenditures did not exceed budgeted expenditures by greater than five percent for the year ended December 31, 2018. The District does not use encumbrance accounting.

The budget amounts disclosed in this report are as originally adopted and amended by the Board.

## ST. LANDRY FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

#### Cash and Cash Equivalents

Cash includes amounts in demand deposit, interest – bearing demand, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the municipality may deposit funds in demand deposits, interest – bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

#### Interest-bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

#### Compensated absences:

Employees of the District who have been employed for one year earn 18 days of vacation pay. After ten years of service, they earn one additional day of vacation pay for each year worked up to the maximum of 30 days. Neither vacation days nor sick leave can be carried over to future years; therefore, no accruals for compensated absences are necessary.

#### Prepaid Items:

Payments made for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items.

#### Allowances for Uncollectibles

All receivables that historically represent uncollectible accounts are shown net of an allowance for uncollectible. The allowance for uncollectible accounts in the general fund is estimated at \$49,048.

#### Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activity column in the government-wide financial statements. All purchased fixed assets are valued at cost or estimated historical cost. The amounts of estimated costs are immaterial to these financial statements. Donated fixed assets are stated at their fair market value on the date donated.

The District maintains a threshold level of \$500 or more for capitalizing capital assets.

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Buildings	40 years
Equipment	5 years
Vehicles	7 years

#### Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. There is currently no long-term debt owed by the District.

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 payment of principal and interest reported as expenditures.

#### Equity Classifications

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 balance of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance.* This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance.* These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the fire district's board – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned fund balance.* This classification reflects the amounts constrained by the district's "intent" to be used for specific purposes but are neither restricted nor committed. The board and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance.* This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed,

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

assigned, or unassigned fund balances are available, the District considers the amount to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

#### Revenues, Expenditures, and Expenses

##### Program Revenues

Program revenues consist of fees, fines, and charges for services related to governmental fund activities.

##### Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

##### Governmental Funds – By Character

In the fund financial statements, governmental funds report expenditures of financial resources.

#### Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB required a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

#### **Note 2.** Cash and Interest-Bearing Deposits

For reporting purposes, cash and investments include cash, demand deposits, time deposits, and government backed mortgage securities. The District may invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks having their principal office in the State of Louisiana, or any other federally insured investment. The District may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

The cash and cash equivalents of the St. Landry Parish Fire Protection District No. III are subject to the following risk:

*Custodial Credit Risk:* 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. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. 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 bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

Bank account balances at December 31, 2018, totaled \$1,340,526, and of this amount \$250,000 was secured by FDIC Insurance. The remaining amount of 1,090,526 was secured with pledged securities from St. Landry Bank & Trust Co.

**Note 3.** Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District in May or June and are actually billed to the taxpayers in the latter part of the fiscal year. Billed taxes become delinquent on January 1 of the following year and January and February of the ensuing year. The following is a summary of the levied ad valorem taxes:

General corporate purpose:

Operations and maintenance	<u>16.79</u>
----------------------------	--------------

All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year-end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and, accordingly, have not been recorded as revenue.

**Note 4.** Accounting Pronouncements

The Government Accounting Standards Board (GASB) has issued the following Statements which will become effective in futures years as shown below:

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Statement No. 87, “Leases” increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 88, “Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements” improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The Statement clarifies which liabilities governments would include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 30, 2018. Management has not yet determined the effect of this Statement on the financial statements.

**Note 5.** Evaluation of Subsequent Events

The District has evaluated subsequent events through June 17, 2019, the date which the financial statements were available to be issued.

**Note 6.** Receivables

Receivables at December 31, 2018, consist of the following:

	General Fund
Ad valorem	\$ 2,824,903
State revenue sharing	175,590
Gross Receivables	<u>3,000,493</u>
Less: Allowance for uncollectibles	(49,048)
Net total receivables	<u><u>\$ 2,951,445</u></u>

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

**Note 7. Capital Assets**

Capital asset activity for the year ended December 31, 2018 is as follows:

	Balance 12/31/2017	Additions	Deletions	Balance 12/31/2018
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 42,681	\$ -	\$ -	\$ 42,681
Other capital assets:				
Buildings	1,023,230	-	-	1,023,230
Equipment	4,542,040	303,758	28,900	4,816,898
Totals	<u>5,607,951</u>	<u>303,758</u>	<u>28,900</u>	<u>5,882,809</u>
Less accumulated depreciation				
Buildings	700,718	25,700	-	726,418
Equipment	3,845,840	279,458	28,900	4,096,398
Total accumulated depreciation	<u>4,546,558</u>	<u>305,158</u>	<u>28,900</u>	<u>4,822,816</u>
Governmental activities, capital assets, net	<u>\$ 1,061,393</u>	<u>\$ (1,400)</u>	<u>\$ -</u>	<u>\$ 1,059,993</u>

**Note 8. Pension Plan**

Substantially all of the employees (34) of the St. Landry Parish Fire Protection District No. III are members of the Firefighters Retirement System.

Firefighters' Retirement System

The Firefighters' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the System is a condition of employment for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish or fire protection district of the State of Louisiana in addition to employees of the Firefighters' Retirement System. The System provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980, shall become a member as a condition of employment.

No person who has attained age fifty or over shall become a member of the System, unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

#### Retirement Benefits

Employees with 20 or more years of service who have attained age 50, or employees who have 12 annual years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions.

Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven options at retirement.

See R.S. 11:2256(A) for additional details on retirement benefits.

#### Disability Benefits

A member who acquires a disability, and who files for disability benefits while in service, and who upon medical examination and certification as provided for in Title 11, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

#### Death Benefits

Benefits shall be payable to the surviving eligible spouse or designated beneficiary of a deceased member as specified in R.S. 11:2256(B) & (C).

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

#### Deferred Retirement Option Plan

After completing 20 years of credible service and age 50 or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No payments may be made from the deferred retirement option plan account until the participant retires.

#### Initial Benefit Option Plan

Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as a DROP account.

#### Cost of Living Adjustments (COLAs)

Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to R.S. 11:241, the board may also grant an increase in the form of "X x (A+B)," where "X" is any amount up to \$1 per month, and "A" is equal to the number of years of credited service accrued at retirement or at death of the member or retiree, and "B" is equal to the number of years since retirement or since death of the member or retiree to June 30<sup>th</sup> of the initial year of such increase.

Funding Policy - State statute requires covered employees to contribute 10.00 percent of their salaries to the system. The District is required to contribute 26.50 percent of covered employees' salaries. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contribution to the System for the years ending December 31, 2018 and 2017 were \$396,825 and \$439,798, respectively, equal to the required contributions for the year.

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

### Notes to Financial Statements

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809-1752, or by calling (225) 925-4060.

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2018, the District reported a liability of \$3,803,142 for its proportionate share of the net pension liability for the FRS plan. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the FRS pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the District's proportion was 0.661177%, which was a decrease of 0.123334% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2018, the District recognized pension expense of \$9930.

#### Non-employer contributions

The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue. The District recognized \$171,602 of non-employer contribution revenue.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (289,462)
Changes in assumptions	265,307	(603)
Net difference between projected and actual earnings on pension plan investments	247,299	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	229,372	(805,819)
Employer contributions subsequent to measurement date	196,265	-
Total	<u>\$ 938,243</u>	<u>\$ (1,095,884)</u>

The District reported a total of \$196,265 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2018, which will be recognized as a reduction in net pension liability in the year ended June 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ended June 30:	<u>FRS</u>
2019	177,869
2020	37,711
2021	(230,478)
2022	(113,377)
2023	(130,457)
2024	(98,446)
Total	<u>\$ (357,178)</u>

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

**Actuarial Assumptions**

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2018 is as follows:

	FRS
Valuation date	June 30, 2018
Actuarial cost method	Entry age normal cost
Expected remaining service life	7 years, closed period
Investment rate of return	7.3% per annum
Inflation rate	2.700% per annum
Salary increases	Vary from 15.0% in the first two years of service to 4.75% after 25 years of service
Cost of living adjustments	Only those previously granted

The mortality rate assumption used was set based upon an experience study performed on plan date for the period July 1, 2009 through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set-back of standard tables.

The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term expected nominal rate of return was 8.09% as of June 30, 2018. Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2018, are summarized in the following table:

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

	Asset Type	Target Asset Allocation	Long-Term Expected Real Rate of Return
Equity	U.S. Equity	22.00%	6.14%
	Non-U.S. Equity	22.00%	7.46%
	Global Equity	10.00%	6.74%
Fixed Income	Fixed Income	26.00%	1.76%
Alternatives	Real Estate	6.00%	4.38%
	Private Equity	4.00%	8.73%
Multi-Asset Strategies	Global Tactical Asset Allocation	5.00%	4.31%
	Risk Parity	5.00%	4.89%
		100.00%	

The discount rate used to measure the total pension liability was 7.30%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the District's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System as well as what the District's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

FRS Rates	1% Decrease	Current Discount	1% Increase
NPL	\$ 5,549,683	\$ 3,803,142	\$ 2,335,446

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

The components of the net position liability of the System's employers as of December 31, 2018 and 2017, are as follows:

	2018 Plan A	2017 Plan A
Total Pension Liability	<u>\$ 15,069,923</u>	<u>\$ 16,999,424</u>
Plan Fiduciary Net Position	<u>(11,266,781)</u>	<u>(12,502,725)</u>
Total Net Pension Liability	<u><u>\$ 3,803,142</u></u>	<u><u>\$ 4,496,699</u></u>

**Note 9.** Contingent Liability

As of December 31, 2018, the District is not aware of any violation with respect to environmental issues, which may arise from holdings the District has in fixed assets.

**Note 10.** On-Behalf Payments of Salaries and Fringe Benefits

The State of Louisiana paid the District's firefighters supplemental pay of \$200,880. These amounts are included in the accompanying financial statements as revenues and expenditures.

REQUIRED SUPPLEMENTARY INFORMATION

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Budgetary Basis) and Actual - General Fund  
Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes:				
Ad valorem	\$ 2,957,617	\$ 2,928,813	\$ 2,887,924	\$ (40,889)
Intergovernmental	455,000	463,873	463,312	(561)
Interest income	4,600	136,210	145,542	9,332
Net increase (decrease) in fair value of investments	-	-	1,059	1,059
Other	600	304,137	294,218	(9,919)
Total revenues	<u>3,417,817</u>	<u>3,833,033</u>	<u>3,792,055</u>	<u>(40,978)</u>
Expenditures:				
Current:				
Public safety	3,278,380	2,945,656	3,156,798	(211,142)
Capital outlay	30,000	299,274	303,758	(4,484)
Total expenditures	<u>3,308,380</u>	<u>3,244,930</u>	<u>3,460,556</u>	<u>(215,626)</u>
Excess (deficiency) of revenues over expenditures	109,437	588,103	331,499	(256,604)
Other financing sources (uses):				
Proceeds from sale of capital assets	-	-	10,744	10,744
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>10,744</u>	<u>10,744</u>
Excess of revenues and other sources over expenditures and other uses	109,437	588,103	342,243	(245,860)
Fund balance, beginning	<u>5,991,931</u>	<u>3,822,540</u>	<u>3,822,540</u>	<u>-</u>
Fund balance, ending	<u>\$ 6,101,368</u>	<u>\$ 4,410,643</u>	<u>\$ 4,164,783</u>	<u>\$ (245,860)</u>

See notes to required supplementary information.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
 Budgetary Comparison Schedule - General Fund  
 Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Current:				
Public safety -				
Salaries and related benefits	\$ 2,319,200	\$ 2,059,973	\$ 2,099,982	\$ (40,009)
Civil Service Board	2,500	1,840	1,840	-
Per diem	8,080	6,285	6,202	83
Telephone and utilities	51,500	51,975	50,595	1,380
Insurance	607,000	545,060	536,994	8,066
Uniforms and cleaning	1,500	2,150	1,964	186
Equipment maintenance and supplies	93,000	110,290	101,457	8,833
Building maintenance and supplies	12,000	15,030	12,986	2,044
Professional fees	25,200	32,350	30,239	2,111
Office supplies	4,100	6,090	5,925	165
Pension expense	97,000	94,209	93,611	598
Election expense	52,000	17,451	17,451	-
Other	5,300	2,953	197,552	(194,599)
Capital outlays	30,000	299,274	303,758	(4,484)
Total expenditures	<u>\$ 3,308,380</u>	<u>\$ 3,244,930</u>	<u>\$ 3,460,556</u>	<u>\$ (215,626)</u>

See notes to required supplementary information.

ST. LANDRY FIRE PROTECTION DISTRICT NO. III

Schedule of Employer's Proportionate Share of Net Pension Liability  
For the Year Ended December 31, 2018

		Employer Proportionate Share of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of It's Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
FRS	2018	0.0661177	\$ 3,803,142	\$ 1,497,454	253.97%	74.76%
FRS	2017	0.784511	\$ 4,496,699	\$ 1,701,159	264.33%	73.55%
FRS	2016	0.839793	\$ 5,493,005	\$ 1,897,458	289.49%	68.15%
FRS	2015	0.832434	\$ 4,492,740	\$ 1,888,151	237.94%	72.44%
FRS	2014	0.825201	\$ 3,672,073	\$ 1,644,495	223.29%	76.01%

This schedule will contain ten years of historical information once such information becomes available.

ST. LANDRY FIRE PROTECTION DISTRICT NO. III

Schedule of Employer's Pension Contribution  
For the Year Ended December 31, 2018

	<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
FRS	2018	\$ 396,825	\$ 396,825	\$ -	\$ 1,497,454	26.50%
FRS	2017	\$ 439,798	\$ 439,798	\$ -	\$ 1,701,159	25.85%
FRS	2016	\$ 498,021	\$ 498,021	\$ -	\$ 1,897,458	26.25%
FRS	2015	\$ 533,349	\$ 533,349	\$ -	\$ 1,888,151	28.25%
FRS	2014	\$ 472,860	\$ 472,860	\$ -	\$ 1,644,495	28.75%

This schedule will contain ten years of historical information once such information becomes available.

ST. LANDRY FIRE PROTECTION DISTRICT NO. III

Notes to Required Supplementary Information

(1) Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

(2) Budgetary Practices

The District prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

(3) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plans.

(4) Stewardship, Compliance and Accountability

Excess of Expenditures over Appropriations. The following individual fund had actual expenditures in excess of appropriations for the year ended December 31, 2018:

	Original Budget	Final Budget	Actual	Excess
Total Expenditures	<u>\$ 3,308,380</u>	<u>\$ 3,244,930</u>	<u>\$ 3,460,556</u>	<u>\$ 215,626</u>

**VIGE, TUJAGUE  NOEL**

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2<sup>ND</sup> STREET  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.  
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:  
337-457-9324  
FAX:  
337-457-8743

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

To the Board of Commissioners  
St. Landry Parish Fire Protection District No. III  
Opelousas, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of St. Landry Parish Fire Protection District No. III, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise St. Landry Parish Fire Protection District No. III's basic financial statements, and have issued our report thereon dated June 17, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered St. Landry Parish Fire Protection District No. III's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Landry Parish Fire Protection District No. III's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Landry Parish Fire Protection District No. III's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as 2018-001 that we consider to be a significant deficiency.

### **Compliance and Other Matters**

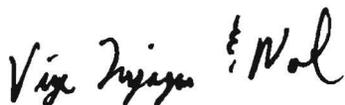
As part of obtaining reasonable assurance about whether St. Landry Parish Fire Protection District No. III's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and responses as item 2018-001.

### **St. Landry Parish Fire Protection District No. III's Response to Findings**

St. Landry Parish Fire Protection District No. III's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. St. Landry Parish Fire Protection District No. III's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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



Vige, Tujague & Noël, CPA's  
Eunice, Louisiana  
June 17, 2019

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Schedule of Findings and Responses  
Year Ended December 31, 2018

We have audited the financial statements of St. Landry Parish Fire Protection District No. III as of and for the year ended December 31, 2018 and have issued our report dated June 17, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2018 resulted in an unmodified opinion.

**Section I Summary of Auditors' Reports**

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses  Yes  No Significant Deficiencies  Yes  None reported

Compliance

Compliance Material to Financial Statements  Yes  No

No separate management letter was issued.

**Section II Financial Statement Findings**

2018-001 Budget

Condition: Total actual expenses exceeded total budgeted expenses by greater than 5%.

Criteria: The Local Government Budget Act (R.S. 396:1301-1314) states that total budgeted revenues should not exceed total actual revenues by greater than 5% and total actual expenditures should not exceed total budgeted expenditures by greater than 5%. When this occurs, the budget should be amended prior to year end.

Cause: The budget was not properly amended to account for the payment of a lawsuit settlement at year end.

Effect: Failure to properly amend the budget resulted in a variance beyond the 5% of budgeted expenses and results in noncompliance with budget laws.

Recommendation: We recommend that the Fire District make the necessary amendments to the budget prior to year end for changes in expenses incurred.

Response: The Fire District will make the necessary amendments to the budget prior to year end for changes in estimated expenses.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Schedule of Findings and Responses (Continued)  
Year Ended December 31, 2018

**Section III Internal Control and Compliance Material to Federal Awards**

There were no federal awards for the year ended December 31, 2018.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Schedule of Prior Year Findings  
Year Ended December 31, 2018

**I Internal Control and Compliance Material to the Financial Statements**

The prior year's report did not include any findings.

**II Internal Control and Compliance Material to Federal Awards**

The prior year's report did not include any federal awards.

**III Management Letter**

The prior year's report did not include a management letter.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
 Schedule of Per Diems  
 Year Ended December 31, 2018

	Per Diem	Mileage	Total
Greg Doucet	\$ 800	\$ 57	\$ 857
Charles Breaux	-	48	48
Richard Joubert	-	83	83
Frank Guidroz	880	-	880
Terri Courville	720	-	720
Alex Thibodeaux	-	5	5
Donald Robinson, Sr.	960	78	1,038
Pamela Jackson	720	40	760
Wilfred Kinnerson	880	131	1,011
Ryan E Chachere	800	-	800
Total	<u>\$ 5,760</u>	<u>\$ 442</u>	<u>\$ 6,202</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The board members receive \$80 for each regular or special meeting they attend and \$30 for each committee meeting they attend.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III  
Schedule of Compensation, Benefits and Other Payments to Agency Head  
Year Ended December 31, 2018

Agency Head Name: Matthew Rabalais, Chief  
Service Period: 6 months

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 89,737
State Supplemental Pay	6,000
Benefits - retirement	9,574
Benefits - health insurance	9,589
Total	<u>\$ 114,900</u>

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

MANAGEMENT'S CORRECTIVE ACTION PLAN

Year Ended December 31, 2018

**Section I. Internal Control and Compliance Material to the Financial Statements**

2018-001 Budget

Condition: Total actual expenses exceeded total budgeted expenses by greater than 5%.

Recommendation: We recommend that the Fire District make the necessary amendments to the budget prior to year end for changes in expenses incurred.

Response: The Fire District will make the necessary amendments to the budget prior to year end for changes in estimated expenses.

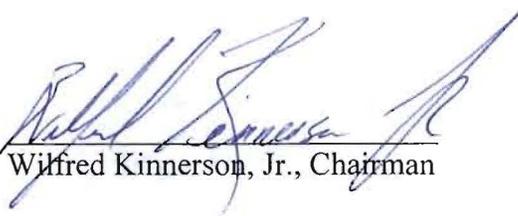
**Section II. Internal Control and Compliance Material to Federal Awards**

The District did not receive any federal awards in the current year.

**Section III. Management Letter**

This year's report did not include a management letter.

Responsible Party:

  
Wilfred Kinnerson, Jr., Chairman

ST. LANDRY PARISH FIRE PROTECTION  
DISTRICT NO. III  
STATEWIDE AGREED-UPON PROCEDURES REPORT  
YEAR ENDED DECEMBER 31, 2018



# VIGE, TUJAGUE NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2<sup>ND</sup> STREET  
P. O. BOX 1006  
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.  
FRANK G. TUJAGUE, C.P.A.  
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:  
337-457-9324  
FAX:  
337-457-8743

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management and Board of Commissioners of the St. Landry Parish Fire Protection District No. III and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by St. Landry Parish Fire Protection District No. III and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The St. Landry Parish Fire Protection District No. III's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted 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 this 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:

Report all exceptions to the following procedures, either after each procedure or after all procedures within each of the twelve AUP categories. "Random" selections may be made using Microsoft Excel's random number generator or an alternate method selected by the practitioner that results in an equivalent sample (e.g., those methods allowed under the AICPA Audit Guide-*Audit Sampling*).

### ***Written Policies and Procedures***

---

1. Obtain the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget  
*The entity does not have written policies and procedures addressing budgeting.*

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

*The entity does not have written policies and procedures addressing purchasing.*

- c) **Disbursements**, including processing, reviewing, and approving

*The entity does not have written policies and procedures addressing disbursements.*

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

*The entity does not have written policies and procedures addressing receipts of revenue.*

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

*The entity has written policies and procedures addressing payroll.*

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

*The entity does not have written policies and procedures addressing contracting.*

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)

*The entity does not have any credit cards, debit cards or fuel cards.*

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

*The entity does not have written policies and procedures addressing travel and expense reimbursement.*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy. Note: Ethics requirements are not applicable to nonprofits.

*The entity has written policies and procedures addressing ethics.*

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

*The entity does not have written policies and procedures addressing debt service.*

### ***Board (or Finance Committee, if applicable)***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the period, and:
- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

### ***Bank Reconciliations***

---

3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);  
*Bank reconciliations include evidence that they are prepared monthly.*
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

*The bank reconciliations prepared for all accounts examined did not have evidence of management review, however, reconciliations are prepared by a fee accountant.*

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*Obtained bank statements and reconciliations and noted there are no items that have been outstanding for more than 12 months from the statement closing date.*

### ***Collections***

---

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

*Obtained a listing of deposit sites and management's representation that the listing is complete.*

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

*No exceptions noted.*

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

*The employee responsible for collecting cash is also responsible for preparing/making bank deposits; however, a fee accountant records the related transactions and prepares the monthly bank reconciliations.*

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

*The employee responsible for collecting cash is not responsible for posting collections to the general ledger. The fee accountant posts deposits and reconciles bank statements monthly.*

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

*The employee responsible for collecting cash does not reconcile cash collections to the general ledger. The fee accountant records and reconciles the cash collections to the general ledger and/or subsidiary ledgers.*

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*The employee that has access to cash is covered by a bond or insurance policy for theft.*

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

*Not applicable. All revenues are received in the form of a check by mail.*

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

*Traced receipts or collection documentation to the deposit slip with no exceptions.*

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

*Traced the deposit slip total to the actual deposit per the bank statement with no exceptions.*

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).

*Collection documentation was obtained and deposits are not made within one day of collection. We were unable to determine the number of days from receipt to deposit. All revenue receipts are in the form of a check. The chief collects all checks and usually makes one deposit at the end of the month.*

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

*Traced the actual deposit per the bank statement to the general ledger with no exception.*

***Non-Payroll Disbursements – General (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

---

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

*Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.*

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

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

*No exceptions noted.*

- b) At least two employees are involved in processing and approving payments to vendors.

*No exceptions noted.*

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

*The employee responsible for processing payments also adds/modifies vendor files; however, all checks must be signed by at least one board member and the fee accountant also reviews vendor files.*

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

*No exceptions noted.*

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- a) Observe that the disbursement matched the related original invoice/billing statement.

*Obtained management's representation that the population is complete. No exceptions noted.*

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable

*Observed that disbursement document documentation includes evidence of segregation of duties for non-routine expenditures.*

### ***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

### ***Travel and Expense Reimbursement***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
  - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract

### ***Payroll and Personnel***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to

earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

### ***Ethics***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

### ***Debt Service***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt

covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

***Other***

---

*No exceptions in prior year. This category was excluded from testing in the current year.*

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

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 those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.



Vige, Tujague & Noel  
Eunice, Louisiana  
June 17, 2019

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Management's Response to Statewide Agreed-Upon Procedures  
For the Year Ended December 31, 2018

Management Response to Item:

1a, 1b, 1c, 1d, 1f, 1g,  
1h, 1j

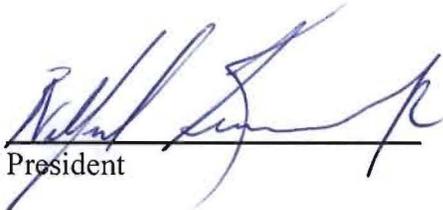
The entity is in the process of compiling a cumulative collection of policies and procedures to be adopted at a board meeting.

3b

A member of the board will initial the reconciliations to provide evidence of review.

7d

The entities primary source of revenue is ad valorem collections received in the form of a check from the Sheriff Department. Due to the limited number of employees involved in this process it is not feasible for the entity to make deposits on a daily basis.



President