

Fire Protection District No. 1
Beauregard Parish Police Jury
State of Louisiana

Annual Financial Statements
With Independent Auditor's Report

December 31, 2021

Table of Contents

	Statement	Page(s)
INDEPENDENT AUDITOR’S REPORT	-	1-3
BASIC FINANCIAL STATEMENTS:		
Statement of Net Position	A	5
Statement of Activities	B	6
Balance Sheet – Governmental Fund	C	7
Reconciliation of the Governmental Fund Balance Sheet to Statement of Net Position	D	8
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Fund	E	9
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	10
Notes to the Financial Statements	-	12-22
	Schedule	Page(s)
Required Supplemental Information		
General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	1	24
Schedule of the District’s Proportionate Share of the Net Pension Liability	2	25-26
Schedule of the District’s Pension Contribution	3	27-28
Other Supplemental Information		
Schedule of Per Diem Paid to Board Members	4	30
Schedule of Compensation, Benefits and Other Payments to Agency Head	5	31
Other Reports		
Schedule of Prior Year Audit Findings	6	33
Schedule of Current Year Audit Findings and Management’s Response	7	34-37
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 <i>Government Auditing Standards</i>	-	38-39
Independent Accountant’s Report on Applying Agreed-Upon Procedures	-	40-48

Windham & Reed, L.L.C.

Certified Public Accountants

1620 North Pine Street
DeRidder, LA 70634
Tel: (337) 462-3211
Fax: (337) 462-0640

John A. Windham, CPA
Charles M. Reed, Jr., CPA

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners
Fire Protection District No. 1
Parish of Beauregard
State of Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana, a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana, as of December 31, 2021, 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.

Basis for Opinions

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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison information, schedule of the district’s proportionate share of the net pension liability, and the schedule of the district’s pension contribution on pages 24 through 28 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s basic financial statements. The accompanying schedule of compensation, benefits and other payments to agency head and schedule of per diem paid to board members are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 to agency head and schedule of per diem paid to board members are 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 May 17, 2022, on our consideration of the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s 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 Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s internal control over financial reporting and compliance.



DeRidder, Louisiana
May 17, 2022

BASIC FINANCIAL STATEMENTS

Fire Protection District No. 1
 Beauregard Parish Police Jury
 DeRidder, Louisiana

Statement A

Statement of Net Position
 December 31, 2021

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,282,452
Receivables:	
Ad valorem taxes	550,774
Capital assets not being depreciated	23,949
Capital assets being depreciated, net	947,767
Total assets	\$ 2,804,942
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	\$ 64,128
Total assets and deferred outflows of resources	\$ 2,869,070
LIABILITIES	
Accounts payable	\$ 6,688
Payroll taxes payable	4,260
Retirement payable	3,663
Pension payable - ad valorem tax	18,712
Long term liabilities:	
Due within one year	-
Due in more than one year	122,911
Total liabilities	\$ 156,234
DEFERRED INFLOWS OF RESOURCES	
Pensions	\$ 86,988
Total liabilities and deferred inflows of resources	\$ 243,222
NET POSITION	
Net investment in capital assets	\$ 971,716
Unrestricted	1,654,132
Total net position	\$ 2,625,848
Total liabilities, deferred inflows of resources and net position	\$ 2,869,070

The accompanying notes are an integral part of this statement.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year Ended December 31, 2021

		Program Revenues		Net (Expenses) Revenues and Changes in Net Position
Program Activities	Expenses	Fees and Charges for Services	Capital Grants and Contributions	Governmental Activities
Governmental activities:				
Public safety	\$ 529,014	\$ -	\$ -	\$ (529,014)
Interest on long term debt	471	-	-	(471)
Total governmental activities	\$ 529,485	\$ -	\$ -	\$ (529,485)
General revenues:				
Taxes:				
Ad valorem taxes				\$ 543,128
Fire insurance tax				31,190
Investment earnings				11,866
Insurance proceeds				1,793
Nonemployer pension revenue				9,908
Miscellaneous				2,308
Total general revenues				\$ 600,193
Change in net position				\$ 70,708
Net position at beginning of year				2,555,140
Net position at end of year				\$ 2,625,848

The accompanying notes are an integral part of this statement.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Statement C

Balance Sheet
Governmental Fund
December 31, 2021

	<u>Major Fund</u>
	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 1,282,452
Receivables:	
Ad valorem	550,774
Total assets	<u>\$ 1,833,226</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 6,688
Payroll taxes payable	4,260
Retirement payable	3,663
Pension payable - ad valorem tax	18,712
Total liabilities	<u>\$ 33,323</u>
Fund Balances:	
Unassigned	<u>\$ 1,799,903</u>
Total liabilities and fund balances	<u>\$ 1,833,226</u>

The accompanying notes are an integral part of this statement.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Statement D

Reconciliation of the Governmental Fund Balance Sheet
to Statement of Net Position
December 31, 2021

Total fund balance - total governmental funds		\$	1,799,903
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.			971,716
Pension-related changes in net pension liability that are only reported in the Statement of Net Position as deferred outflows.			64,128
Pension-related changes in net pension liability that are only reported in the Statement of Net Position as deferred inflows.			(86,988)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Due within one year	\$	-	
Due in more than one year		<u>(122,911)</u>	
			<u>(122,911)</u>
Net position of governmental activities		\$	<u><u>2,625,848</u></u>

The accompanying notes are an integral part of this statement.

Fire Protection District No. 1
 Beauregard Parish Police Jury
 DeRidder, Louisiana

Statement E

Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Fund
 For the Year Ended December 31, 2021

	Major Fund
	General Fund
Revenues	
Taxes:	
Ad valorem	\$ 543,128
Fire insurance tax	31,190
Investment income	11,866
Miscellaneous	2,308
Total revenues	\$ 588,492
Expenditures	
Current operating:	
Public safety	\$ 406,385
Debt service:	
Principal	184,884
Interest and charges	5,834
Capital outlay	71,787
Total expenditures	\$ 668,890
Excess (deficiency) of revenues over expenditures	\$ (80,398)
Other financing sources:	
Insurance proceeds	\$ 1,793
Net change in fund balance	\$ (78,605)
Fund balances at beginning of year	1,878,508
Fund balances at end of year	\$ 1,799,903

The accompanying notes are an integral part of this statement.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Statement F

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, 2021

Net change in fund balances - total governmental funds	\$	(78,605)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.		71,787
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of bond repayments.		184,884
Pension expense is based on employer contributions in the governmental funds, but is an actuarially calculated expense on the Statement of Activities.		26,470
Depreciation expense on capital assets is reported in the government- wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.		(139,191)
Accrued interest on long term debt is not shown in the governmental funds.		<u>5,363</u>
Change in net position of governmental activities	\$	<u><u>70,708</u></u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements
As of and for the Year Ending December 31, 2021

INTRODUCTION

Fire Protection District No. 1, Parish of Beauregard, State of Louisiana was established through the adoption of a resolution, Ordinance No. 3-78, dated May 9, 1978, by the Beauregard Parish Police Jury, State of Louisiana. The District provides fire protection and safety for Wards One, Two and Five of Beauregard Parish, Louisiana. A board of five commissioners appointed by the Beauregard Parish Police Jury, State of Louisiana, governs the district and are compensated for their services. Two employees handle the administrative and clerical duties of the district and the rest of the District are volunteers. The accounting policies of the District conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Government Units*.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, Fire Protection District No. 1, Parish of Beauregard, State of Louisiana is considered a component unit of the Beauregard Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, whether blended into those financial statements or separately reported as discrete component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the district. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the funds financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental fund:

The General Fund is the District's primary operating fund. It accounts for all financial resources, except for those in another fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

The District has not established a policy for use of the unrestricted fund balance, therefore it considers committed fund balances to be used first, then assigned fund balances to be used next and finally the unassigned fund balance will be used.

C. Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the District to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

D. Receivables and Payables

All trade and property taxes receivable are shown net of an allowance for collectibles.

The District levies taxes on real and business personal property located within the boundaries of the district. Property taxes are levied by the district on property values assessed by the Beauregard Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Beauregard Parish Sheriff and Ex-Officio Tax Collector bills and collects property taxes for the district. Collections are remitted to the district monthly. The District recognizes property tax revenues when levied.

<u>Property Tax Calendar</u>	
Assessment date	January 1, 2021
Levy date	June 30, 2021
Tax bills mailed	October 15, 2021
Total taxes are due	December 31, 2021
Penalties & interest due	January 31, 2022
Lien date	January 31, 2022

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

For the year ended December 31, 2021, taxes of 5.98 mills were levied on property with an assessed valuation totaling \$92,102,239, and were dedicated as follows. Property taxes are levied on a calendar year basis and become due on January 1 each year. The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date
Taxes due for:			Renewed
General Maintenance	5.98	5.98	Annually

The following are the principal taxpayers and related property tax revenue for the district:

Taxpayer	Type of Business	Assessed Valuation	% of Total Assessed Valuation	Ad Valorem Tax Revenue for District
Boise Packaging & Newsprint L.L.C	Paper Products	\$ 9,073,892	9.85%	\$ 36,750
Daylight Petroleum, L.L.C.	Oil & Gas	5,711,310	6.20%	34,154
Packaging Corporation of America	Paper Products	77,020,599	83.63%	211,840
Total		\$ 91,805,801	99.68%	\$ 282,744

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets.

According to GASB 34 Fire Protection District No. 1, Parish of Beauregard, State of Louisiana was not required to retroactively report infrastructure assets in its financial statements, therefore, these assets have not been reported in the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Improvements	20-40 years
Buildings	40-50 years
Furniture and fixtures	5-15 years
Vehicles	5-20 years
Machinery and equipment	5-20 years

F. Compensated Absences

The District does not allow and has no written policy relating to compensated absences.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

G. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

H. Fund Balances

Unassigned Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

I. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the district, which are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items as of December 31, 2021.

J. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 revenues and expenditures during the reporting period. Actual results could differ from those estimates.

K. Economic Dependency

The District receives a substantial portion of its ad valorem tax revenue from Packaging Corporation of America. During the year ended December 31, 2021, Fire District No. 1, Parish of Beauregard, State of Louisiana received \$211,840 in ad valorem tax revenue from Packaging Corporation of America which represents 36% of total revenue.

L. Restricted Net Position

For government-wide statement of net position, net position is reported as restricted when constraints placed on net position are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
2. imposed by law through constitutional provisions or enabling legislation.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Firefighters' Retirement System (FRS) and additions to/deductions from FRS's fiduciary net positions have been determined on the same basis as

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

they are reported by FRS. The financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing FRS. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade date basis. The fiduciary net position is reflected in the measurement of the District's proportionate share of the plans net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense.

N. Deferred Outflows/Inflows of Resources

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION The District uses the following budget practices:

1. The secretary prepares a proposed budget and submits same to the Board of Commissioners no later than fifteen days prior to the beginning of each fiscal year.
2. The budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
3. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Commissioners.
4. All budgetary appropriations lapse at the end of each fiscal year
5. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Commissioners. Such amendments were not material in relation to the original appropriations.

3. CASH AND CASH EQUIVALENTS

At December 31, 2021, the District has cash and cash equivalents (book balances) totaling \$1,282,452 as follows:

Insured cash account	\$ 243,101
Time deposits	613,000
Interest bearing demand deposits	12,923
Petty cash	200
Passbook savings	413,228
Total	<u>\$ 1,282,452</u>

The cash and cash equivalents of the Fire District No. 1, Parish of Beauregard, State of Louisiana 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 government will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

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.

At December 31, 2021, the District has \$1,287,731 in deposits (collected bank balances). These deposits are secured from risk by \$1,124,504 of federal deposit insurance and \$163,227 of pledged securities held by an unaffiliated bank of the pledgor bank. These deposited pledged securities are deemed by law to be under the control and possession and in the name of the District and are therefore properly collateralized.

4. RECEIVABLES

The receivables of \$550,774 at December 31, 2021, are as follows:

Class of receivable	General Fund
Taxes:	
Ad valorem	\$ 550,774

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2021, for the District is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 23,949	\$ -	\$ -	\$ 23,949
Capital assets being depreciated				
Buildings	\$ 432,611	\$ -	\$ -	\$ 432,611
Improvements	208,166	-	-	208,166
Machinery and equipment	1,769,079	28,145	-	1,797,224
Furniture and fixtures	5,173	-	-	5,173
Vehicles	1,821,986	43,642	-	1,865,628
Total capital assets being depreciated	\$ 4,237,015	\$ 71,787	\$ -	\$ 4,308,802
Less accumulated depreciated for:				
Buildings	\$ 279,584	\$ 10,815	\$ -	\$ 290,399
Improvements	101,509	8,396	-	109,905
Machinery and equipment	1,676,510	31,525	-	1,708,035
Furniture and fixtures	5,173	-	-	5,173
Vehicles	1,159,068	88,455	-	1,247,523
Total accumulated depreciation	\$ 3,221,844	\$ 139,191	\$ -	\$ 3,361,035
Total capital assets being depreciated, net	\$ 1,015,171	\$ (67,404)	\$ -	\$ 947,767

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

Depreciation expense of \$139,191 for the year ended December 31, 2021, was charged to the following governmental functions:

Public safety	\$ 139,191
---------------	------------

6. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$33,323 at December 31, 2021, are as follows:

	General Fund
Payroll taxes	\$ 4,260
Retirement	3,663
Accounts	6,688
Pension - ad valorem tax	18,712
Total	\$ 33,323

7. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2021:

	Net Pension Liability
Long-term obligations at beginning of year	\$ 216,237
Additions	-
Reductions	(93,326)
Long-term obligations at end of year	\$ 122,911

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of December 31, 2021:

	Net Pension Liability
Current portion	\$ -
Long-term portion	122,911
Total	\$ 122,911

8. RETIREMENT SYSTEM

The Firefighters' Retirement System of Louisiana is a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. Pertinent information relative to the plan follows:

Plan Description

Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final-average salary.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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, PO Box 94095, Baton Rouge, LA, 70804, or by calling (225) 925-4060.

Funding Policy

Plan members are required by state statute to contribute 10.00 percent of their annual covered salary and the district is required to contribute at an actuarially determined rate. The current rate is 33.75% of annual covered payroll.

The contribution requirements of plan members and the district are established and may be amended by state statute. 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 contributions to the System for the years ending December 31, 2021, 2020 and 2019 were \$31,105, \$23,576, and \$20,738, respectively equal to the required contributions for each year.

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

At December 31, 2021, the District reported a liability of \$122,911 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2021 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 pension plan relative to the projected contributions of all participating districts, actuarially determined. At June 30, 2021 the District's proportion was .034683%, which was an increase of .003487% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the District recognized pension expense of \$14,543. At December 31, 2021, the District recognized deferred outflows of resources and deferred inflows of resources related to pension from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,754	\$ 11,038
Changes of assumptions	26,634	-
Net difference between projected and actual earnings on pension plan investments	-	74,590
Changes in proportion of net pension liability	17,758	201
Difference between employer and proportionate share of contributions	2,076	1,159
District's contributions subsequent to the measurement date	15,906	-
Total	\$ 64,128	\$ 86,988

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

The \$15,906 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2022	\$ 9,018
2023	8,982
2024	12,739
2025	18,010
2026	(5,301)
2027	(4,682)
Total	\$ 38,766

Actuarial Methods and Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method for Financial Reporting	Entry Age Normal
Estimated Remaining Service Lives	7 years, closed period
Investment Rate of Return (discount rate)	6.90% per annum (net of investment expenses, including inflation) (decreased from 7.00% in 2020)
Inflation Rate	2.50% per annum
Salary Increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases.
Cost of Living Adjustments (COLAs)	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.

For the June 30, 2021 valuation, assumptions for mortality rates were based on the following:

- For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.
- For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.
- For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees.
- In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Notes to the Financial Statements (Continued)

The long-term expected real rate of return is an important input into the actuary's determination of the reasonable range for the discount rate which is used in determining the total pension liability. The actuary's method incorporates information from multiple consultants and investments firms regarding future expected rates of return, variances, and correlation coefficients for each asset class. The actuary's method integrates data from multiple sources to produce average values thereby reducing reliance on a single data source.

The June 30, 2021 estimated long-term rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation and the G.S. Curran & Company Consultant Average study for 2021. The consultants' average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from a number of investment consultants and investment management firms. Each consultant's response included nominal expected long term rates of return. In order to arrive at long term expected arithmetic real rates of return, the actuary normalized the data received from the consultant's responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long term standard deviation and then reduced the assumption by the long term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. Subsequent to the actuary's calculation of the long term expected real rate of return in January 2021, the Board voted to amend the target asset allocation. These changes include an increase to target weight in public equity, a decrease in the target weight in fixed income, and the inclusion of a target weight in private real assets. The changes to the target asset allocation are reflected in the table below. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2021.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2021 are summarized in the following table:

	Asset Type	Target Asset Allocation	Long-Term Expected Real Rate of Return
Equity	U.S. Equity	27.50%	5.86%
	Non-U.S. Equity	11.50%	6.44%
	Global Equity	10.00%	6.40%
	Emerging Market Equity	7.00%	8.64%
Fixed Income	U.S. Core Fixed Income	18.00%	0.97%
	US TIPS	3.00%	0.40%
	Emerging Market Debt	5.00%	2.75%
Alternatives	Real Estate	6.00%	5.31%
	Private Equity	9.00%	9.53%
	Real Assets	3.00%	***
Multi-Asset Strategies	Global Tactical Asset Allocation	0.00%	4.17%
	Risk Parity	0.00%	4.17%
		<u>100.00%</u>	

***Subsequent to the actuary's calculation of the long term expected real rate of return in January 2021, the Board voted to amend the target asset allocation (which included a target weight in private real assets).

Fire Protection District No. 1
 Beauregard Parish Police Jury
 DeRidder, Louisiana

Notes to the Financial Statements (Concluded)

The discount rate used to measure the total pension liability was 6.90%. 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 and non-employer contributing entities will be made at the actuarially determined rates approved by the Board of Trustees and by the Public Retirement System’s Actuarial Committee 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 to Changes in Discount Rate

The following presents the net pension liability of the District calculated using the discount rate of 6.90%, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.90%, or one percentage point higher 7.90% than the current rate as of June 30, 2021:

Changes in Discount Rate:			
	1.00% Decrease 5.90%	Current Discount Rate 6.90%	1.00% Increase 7.90%
Net Pension Liability	\$ 235,796	\$ 122,911	\$ 28,766

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$3,663, which is the legally required contribution due at December 31, 2021. This amount is recorded in accrued expenses.

REQUIRED SUPPLEMENTAL INFORMATION

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 1

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amount	Budget to Actual differences over (under)
	Original	Final		
Revenues				
Taxes:				
Ad valorem	\$ 523,000	\$ 543,000	\$ 543,128	\$ 128
Fire insurance tax	30,200	31,200	31,190	(10)
Intergovernmental:				
Local grant	3,000	-	-	-
Investment income	30,200	11,500	11,866	366
Other revenue	1,000	2,300	2,308	8
Total revenues	<u>\$ 587,400</u>	<u>\$ 588,000</u>	<u>\$ 588,492</u>	<u>\$ 492</u>
Expenditures				
Current operating:				
Public safety	\$ 382,640	\$ 407,401	\$ 406,385	\$ 1,016
Current operating:				
Debt service	150,000	184,884	184,884	-
Interest and charges	-	5,834	5,834	-
Capital outlay	-	72,000	71,787	213
Total expenditures	<u>\$ 532,640</u>	<u>\$ 670,119</u>	<u>\$ 668,890</u>	<u>\$ 1,229</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 54,760</u>	<u>\$ (82,119)</u>	<u>\$ (80,398)</u>	<u>\$ 1,721</u>
Other financing sources:				
Insurance proceeds	\$ 12,000	\$ 1,800	\$ 1,793	\$ (7)
Net change in fund balance	\$ 66,760	\$ (80,319)	\$ (78,605)	\$ 1,714
Fund balances at beginning of year	1,875,000	1,878,508	1,878,508	-
Fund balances at end of year	<u>\$ 1,941,760</u>	<u>\$ 1,798,189</u>	<u>\$ 1,799,903</u>	<u>\$ 1,714</u>

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 2

Schedule of the District's Share of the Net Pension Liability
For the Year Ended December 31, 2021

Firefighters' Retirement System	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019
District's proportion of the net pension liability (asset)	.031638%	.030720%	.030477%	.030714%	.031152%
District's proportionate share of the net pension liability (asset)	\$ 170,754	\$ 200,937	\$ 174,690	\$ 176,669	\$ 195,071
District's covered-employee payroll	\$ 68,340	\$ 68,207	\$ 72,123	\$ 74,130	\$ 76,454
District's proportionate share of the net pension liability (asset) as a percentage of it's covered-employee payroll	249.86%	294.60%	242.21%	238.32%	255.15%
Plan fiduciary net position as a percentage of the total pension liability	72.45%	68.15%	73.54%	74.76%	73.96%

(Continued)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 2

Schedule of the District's Share of the Net Pension Liability
For the Year Ended December 31, 2021

Firefighters' Retirement System	December 31, 2020	December 31, 2021
District's proportion of the net pension liability (asset)	.031196%	.034683%
District's proportionate share of the net pension liability (asset)	\$ 216,237	\$ 122,911
District's covered-employee payroll	\$ 78,873	\$ 94,259
District's proportionate share of the net pension liability (asset) as a percentage of it's covered-employee payroll	274.16%	130.40%
Plan fiduciary net position as a percentage of the total pension liability	72.61%	86.78%

(Concluded)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 3

Schedule of the District's Pension Contribution
For the Year Ended December 31, 2021

Firefighters' Retirement System	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019
Contractually required contribution	\$ 19,306	\$ 18,426	\$ 18,662	\$ 19,644	\$ 20,738
Contributions in relation to the contractually required contribution	<u>19,306</u>	<u>18,426</u>	<u>18,662</u>	<u>19,644</u>	<u>20,738</u>
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered-employee payroll	\$ 68,340	\$ 68,207	\$ 72,123	\$ 74,130	\$ 76,454
Contributions as a percentage of covered-employee payroll	28.25%	27.02%	25.88%	26.50%	27.12%

(Continued)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 3

Schedule of the District's Pension Contribution
For the Year Ended December 31, 2021

Firefighters' Retirement System	December 31, 2020	December 31, 2021
	<u> </u>	<u> </u>
Contractually required contribution	\$ 23,576	\$ 31,105
Contributions in relation to the contractually required contribution	<u>23,576</u>	<u>31,105</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 78,873	\$ 94,259
Contributions as a percentage of covered-employee payroll	29.89%	33.00%

(Concluded)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

OTHER SUPPLEMENTAL INFORMATION

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 4

Schedule of Per Diem Paid to Board Members
For the Year Ended December 31, 2021

	<u>Total</u>
Travis Brooks	\$ 360
Wesley Jeans	360
Gerald Spears	360
Marvin Whiddon	360
Jerry Hennigan	360
	<u>\$ 1,800</u>

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 5

Schedule of Compensation, Benefits and
Other Payments to Agency Head
For the Year Ended December 31, 2021

Agency Head Name - Jay Williams

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 93,788
Benefits - insurance	-
Benefits - retirement	31,105
Deferred compensation	-
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Cell phone	2,300
Dues	125
Vehicle rental	-
Per diem	600
Reimbursements	-
Travel	349
Registration fees	175
Conference travel	724
Housing	-
Unvouchered expenses	-
Special meals	-
Other	-

OTHER REPORTS

Fire Protection District No. 1
Beauregard Parish Police Jury
DeRidder, Louisiana

Schedule 6

Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2021

There were no prior year audit findings for the year ended December 31, 2020.

Schedule of Current Year Audit Findings and Management's Response
For the Year Ended December 31, 2021

Finding – Financial Statement Audit

Audit Finding No. 2021-1

Ethics Requirement Not Met

Condition:	Not all of the board members of the District met the one hour requirement training on the Code of Governmental Ethics.
Criteria:	As of January 1, 2012 all public employees are required by R.S. 42:1170 to complete one hour per year training on the Code of Governmental Ethics.
Cause and Condition:	This was an oversight by the board members that did not get the one hour ethics course completed during the year, and a lack of monitoring contributed to the oversight.
Effect of Condition:	Violation of R.S. 42:1170.
Recommendation:	We recommend that all board members of the District take the required one hour ethics training each year and that the Clerk monitor the board members' compliance.

Schedule of Current Year Audit Findings and Management's Response
For the Year Ended December 31, 2021

Finding – Financial Statement Audit

Audit Finding No. 2021-2

Prevention of Sexual Harassment Law Requirement Not Met

Condition:	Neither the board members nor the employees of the District met the one hour requirement training on the Prevention of Sexual Harassment Law.
Criteria:	As of January 1, 2019 all public servants are required by R.S. 42:343 to complete one hour per year training on the Prevention of Sexual Harassment Law.
Cause and Condition:	Neither the board members nor the employees of the District were aware of the one hour training requirement.
Effect of Condition:	Violation of R.S. 42:343.
Recommendation:	We recommend that all board members and employees of the District take the required one hour sexual harassment training each year and that the Clerk monitor the board members' and employees' compliance.

Beauregard Fire District No. 1



P.O. BOX 547
MERRYVILLE, LOUISIANA 70653
PHONE (337)825-6309 * FAX (337)825-9747

Commissioners:

Travis Brooks
Jerry Hennigan
Wesley Jeans
Gerald Spears
Marvin Whiddon Sr.

Wesley Jeans
Chairman

Jay Williams
District Chief

Carolyn Rhodes
Secretary

Louisiana Legislative Auditor
1600 North 3rd Street
Baton Rouge, La 70802

Dear Mr. Michael Waguespack,

Beauregard Fire District No. 1 does hereby apologize for not completing the required training on the Code of Government Ethics for the year 2021.

It was an oversight by some of the Board members and a lack of monitoring that contributed to the oversight.

As Secretary to the Board I will monitor the Board member's compliance and see that all board members complete the one-hour ethics training each year.

Sincerely,

Carolyn Rhodes
Secretary

Beauregard Fire District No. 1



P.O. BOX 547
MERRYVILLE, LOUISIANA 70653
PHONE (337)825-6309 * FAX (337)825-9747

Commissioners:

Travis Brooks
Jerry Hennigan
Wesley Jeans
Gerald Spears
Marvin Whiddon Sr.

Wesley Jeans
Chairman

Jay Williams
District Chief
Carolyn Rhodes
Secretary

Louisiana Legislative Auditor
1600 North 3rd Street
Baton Rouge, La 70802

Dear Mr. Michael Waguespack,

Beauregard Fire District No. 1 does hereby apologize for not taken the one-hour training on the Prevention of Sexual Harassment Law.

The Board of Commissioners and the employees were not aware of this one-hour training.

The Board of Commissioners and the employees will take the required one-hour sexual harassment training each year and the Secretary will monitor the Board members' and the employee's compliance.

Sincerely,

A handwritten signature in cursive script that reads "Carolyn Rhodes".

Carolyn Rhodes
Secretary

Windham & Reed, L.L.C.

Certified Public Accountants

1620 North Pine Street
DeRidder, LA 70634
Tel: (337) 462-3211
Fax: (337) 462-0640

John A. Windham, CPA
Charles M. Reed, Jr., CPA

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

Members of the Board of Commissioners
Fire Protection District No. 1
Parish of Beauregard
State of 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 and each major fund of Fire Protection District No. 1, Parish of Beauregard, State of Louisiana as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Fire Protection District No. 1, Parish of Beauregard, State of Louisiana's basic financial statements, and have issued our report thereon dated May 17, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Fire Protection District No. 1, Parish of Beauregard, State of Louisiana'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 Fire Protection District No. 1, Parish of Beauregard, State of Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of Fire Protection District No. 1, Parish of Beauregard, State of Louisiana'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. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fire Protection District No. 1, Parish of Beauregard, State of Louisiana'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of current year audit findings and management's response as items Audit Finding No. 2021-1 and Audit Finding No. 2021-2.

Members of the Board of Commissioners
Fire Protection District No. 1
Parish of Beauregard
State of Louisiana

Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s response to the findings identified in our audit and described in the accompanying schedule of current year audit findings and management’s response. The Fire Protection District No. 1, Parish of Beauregard, State of Louisiana’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



DeRidder, Louisiana
May 17, 2022

Windham & Reed, L.L.C.

Certified Public Accountants

1620 North Pine Street
DeRidder, LA 70634
Tel: (337) 462-3211
Fax: (337) 462-0640

John A. Windham, CPA
Charles M. Reed, Jr., CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the Board of Commissioners
Fire Protection District No. 1
Parish of Beauregard
State of Louisiana

We have performed the procedures enumerated below, which were agreed to by Fire Protection District No. 1, Parish of Beauregard, State of Louisiana (Entity) 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, 2021 through December 31, 2021. The Entity'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:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether 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.
Written policies and procedures addressed 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.
Written policies and procedures addressed purchasing.
 - c) ***Disbursements***, including processing, reviewing, and approving.
Written policies and procedures addressed 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).
Written policies and procedures addressed receipts/collections.
 - e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
Written policies and procedures addressed payroll/personnel.

- 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.
Written policies and procedures addressed 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 of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Written policies and procedures addressed credit cards.
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Written policies and procedures addressed travel and expense reimbursement.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
No written policies and procedures for ethics.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
No written policies and procedures for debt service.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
Not applicable.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
No written policies and procedures for sexual harassment.

Board or Finance Committee

- 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 fiscal 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.
No exceptions noted.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds⁷.
Alternately, for those entities reporting on the nonprofit 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.
No exceptions noted.
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned 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 unassigned fund balance in the general fund.

Not applicable.

Bank Reconciliations

3. Obtain a listing of entity 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 each selected 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 or electronically logged);

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

Collections (excluding electronic funds transfers)

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).

Only one collection site.

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 responsible for cash collections do not share cash drawers/registers.

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.

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.

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/official verifies the reconciliation.

No cash collected at district office.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Not applicable.

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.
Receipts are not pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
No exceptions noted.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
No exceptions noted.
 - d) Observe 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 and the cash is stored securely in a locked safe or drawer).
No exceptions noted.
 - e) Trace the actual deposit per the bank statement to the general ledger.
No exceptions noted.

Non-Payroll Disbursements (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).
Only one location.
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 can also add/modify 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.

The employee signing checks and processing payments also mails the checks.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

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 whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

The disbursement documentation did not contain evidence of segregation of duties.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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.
- Only one credit card.*
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 whether 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) were reviewed and approved, in writing (or electronically approved), 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.]
- No exceptions noted.*
- b) Observe that finance charges and late fees were not assessed on the selected statements.
- No exceptions noted.*
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 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether

management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

No exceptions noted.

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

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, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe 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 each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

Contracts

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 whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

Not applicable.

- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

No exceptions noted.

- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

Not applicable.

- 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 the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management’s representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Only two employees.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
 - c) Observe any leave accrued or taken during the pay period is reflected in the entity’s cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management’s representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management’s termination payment calculations and the entity’s policy on termination payments. Agree the hours to the employee or officials’ cumulative leave records, agree the pay rates to the employee or officials’ authorized pay rates in the employee or officials’ personnel files, and agree the termination payment to entity policy.

Not applicable.

19. Obtain management’s representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers’ compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above: obtain ethics documentation from management, and:
- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Not all board members completed the required ethics.

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity’s ethics policy during the fiscal period, as applicable.

No ethics policy maintained.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Not applicable.

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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Not applicable.

Fraud Notice

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.

Not applicable.

24. Observe 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.

No exceptions noted.

Information Technology Disaster Recovery/Business Continuity – Not Applicable

25. Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**
- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Neither board members nor employees took the required sexual harassment training.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).

No sexual harassment policy.

28. Obtain the entity’s annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

No sexual harassment report filed.

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.

Windham & Reed CPA, L.L.C.
DeRidder, Louisiana
May 17, 2022