

**BIENVILLE PARISH FIRE PROTECTION DISTRICT,  
WARD 7  
BIENVILLE PARISH, LOUISIANA  
FINANCIAL REPORT**

**DECEMBER 31, 2018**

Bienville Parish Fire Protection District, Ward 7

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**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – A Professional Corporation  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447  
[www.tcbtcpa.com](http://www.tcbtcpa.com)

**INDEPENDENT ACCOUNTANT’S REVIEW REPORT**

Bienville Parish Fire  
Protection District, Ward 7  
Bienville Parish, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Bienville Parish Fire Protection District, Ward 7 (District), a component unit of the Bienville Parish Police Jury, as of and for the year ended December 31, 2018, which collectively comprise the District’s basic financial statements as listed in the Table of Contents. A review includes primarily applying analytical procedures to management’s financial data and making inquiries of the District’s personnel. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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

The management of the District 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

**Accountant’s Responsibility**

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

**Accountant’s Conclusion**

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

## Other Matter Paragraphs

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and 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.

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer listed as required supplementary information in the Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The Budgetary Comparison Schedule and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer have been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.

The Bienville Parish Fire Protection District, Ward 7 has not presented the Management's Discussion and Analysis that the *Governmental Accounting Standards Board* has determined is necessary to supplement, although not required to be part of, the basic financial statements.

### *Other Reporting Requirements*

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 25, 2019, on the results of our agreed-upon procedures on page 26 through 28 and pages 29 through 31 present the Louisiana Attestation Questionnaire.

*Thomas, Cunningham, Broadway & Todtenbier, CPAs*

Thomas, Cunningham, Broadway, & Todtenbier  
Natchitoches, Louisiana

June 25, 2019

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

Bienville Parish Fire Protection District, Ward 7  
Statement of Net Position  
December 31, 2018

ASSETS:

Current Assets-

Cash & Cash Equivalents	\$ 515,206
Revenue Receivable	<u>427,263</u>

Total Current Assets	\$ <u>942,469</u>
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Non-Current Assets-

Capital Assets (Net)	\$1,057,049
Utility Deposits	<u>430</u>

Total Non-Current Assets	\$ <u>1,057,479</u>
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Total Assets	\$ <u>1,999,948</u>
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LIABILITIES:

Accounts Payable	\$ <u>2,630</u>
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NET POSITION:

Net Investment in Capital Assets	\$1,057,049
Unrestricted	<u>940,269</u>

Total Net Position	\$ <u>1,997,318</u>
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See accompanying notes and independent accountant's review report.

Bienville Parish Fire Protection District, Ward 7  
Statement of Activities  
December 31, 2018

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities:				
Public Safety	\$ <u>448,205</u>	\$ <u>0</u>	\$ <u>11,856</u>	\$ <u>(436,349)</u>
		General Revenues:		
			Taxes-	
			Property Tax	\$ 441,212
			Interest & Miscellaneous	<u>7,454</u>
			Total General Revenues	\$ <u>448,666</u>
			Change in Net Position	\$ <u>12,317</u>
			Net Position January 1, 2018	\$2,026,493
			Restatement ( See note 10)	<u>(41,492)</u>
			Net Position January 1, 2018, Restated	\$ <u>1,985,001</u>
			Net Position December 31, 2018	\$ <u>1,997,318</u>

See accompanying notes and independent accountant's review report.

## FUND FINANCIAL STATEMENTS

Bienville Parish Fire Protection District, Ward 7  
Balance Sheet-Governmental Fund  
December 31, 2018

Assets:

Cash & Cash Equivalents	\$515,206
Revenue Receivable	427,263
Other Assets – Deposits	<u>430</u>
Total Assets	<u>\$942,899</u>

Liabilities:

Accounts Payable/Payroll Liabilities	<u>\$ 2,630</u>
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Fund Balances:

Nonspendable- Deposits	\$ 430
Unassigned	<u>939,839</u>
Total Fund Balance	<u>\$940,269</u>
Total Liabilities and Fund Balance	<u>\$942,899</u>

See accompanying notes and independent accountant's review report.

Bienville Parish Fire Protection District, Ward 7  
Reconciliation of the Governmental Fund  
Balance Sheet to the Statement of Net Position  
December 31, 2018

Total Fund Balance for the Governmental Fund	\$ 940,269
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital Assets used in Governmental Activities are not current financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet. Those assets consist of:	
Land, Equipment, Buildings, and Vehicles	2,689,591
Less: Accumulated Depreciation	<u>(1,632,542)</u>
Total Net Position of Governmental Activities	<u>\$ 1,997,318</u>

See accompanying notes and independent accountant's review report.

Bienville Parish Fire Protection District, Ward 7  
Statement of Revenues, Expenditures and Changes in Fund Balance-  
Governmental Fund  
Year Ended December 31, 2018

REVENUES:	
Taxes	\$441,212
Intergovernmental-	
Local - Fire Insurance Rebate	11,856
Miscellaneous	<u>7,454</u>
Total Revenues	<u>\$460,522</u>
EXPENDITURES:	
Current-	
Public Safety-	
Fuel	\$ 11,636
Equipment Repairs & Maint.	38,277
Capital Outlay	185,238
Insurance	51,612
Legal & Accounting	13,100
Office	5,148
Outside Services	7,232
Rent	1,916
Building & Grounds	20,387
Salaries & Related Costs	90,475
Supplies	22,358
Travel/Education	3,334
Utilities/Telephone	10,892
Uniforms	4,467
Volunteers	<u>6,030</u>
Total Expenditures	<u>\$472,102</u>
Deficiency of Revenues over Expenditures	\$ (11,580)
Fund Balance-Beginning of Year, as Restated (See note 10)	<u>951,849</u>
Fund Balance-End of Year	<u>\$940,269</u>

See accompanying notes and independent accountant's review report.

Bienville Parish Fire Protection District, Ward 7  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
for the Year Ended December 31, 2018

Net Change in Fund Balance—Governmental Fund	\$ (11,580)
Amounts reported for Governmental Activities in the Statement of Activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. The cost of capital assets recorded in the current period is	185,238
Depreciation Expense on capital assets is reported in the government-wide financial statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is	<u>(161,341)</u>
Change in Net Position, per Statement of Activities	\$ <u>12,317</u>

See accompanying notes and independent accountant's review report.

## NOTES TO FINANCIAL STATEMENTS

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

1. Introduction:

Bienville Parish Fire Protection District, Ward 7 was created by the Bienville Parish Police Jury under the provisions of Louisiana Revised Statutes 40:1492-1601, for the purpose of providing fire protection for the citizens of the District. The District is governed by a Board of Commissioners who are resident property taxpayers of the District. The District was created to acquire and maintain buildings, machinery, equipment, water tanks, water hydrants and water lines, and any other such things necessary to provide proper fire protection and control within the District.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of Bienville Parish Fire Protection District, Ward 7 conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

A. Reporting Entity-

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

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

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

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

Because the Police Jury approves the District's governing board, the District was determined to be a component unit of the Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting-

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District maintains only one fund. It is categorized as a governmental fund. A fund is considered major if it is the primary operating fund of the entity.

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

The major fund of the District is described below:

Governmental Fund-

General Fund

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

D. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, money market accounts, and certificates of deposit of the District.

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

#### Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column 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 \$500 or more for capitalizing capital assets.

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

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, computers	5 years
Firefighting equipment	10 years
Ladders, hoses, airpaks	7 years
Radios	10 years
Fire trucks	10 years
Other vehicles	5 years
Buildings	40 years

#### Compensated Absences-

There is no formal leave policy for the District; therefore no entry is made to record compensated absences.

#### Equity Classifications-

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

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

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund has an unassigned fund balance of \$939,839. If applicable, the District would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

F. Budget-

Prior to the beginning of each fiscal year, Bienville Parish Fire Protection District, Ward 7 adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

G. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

3. Cash and Cash Equivalents:

The cash and cash equivalents of the Bienville Parish Fire Protection District, Ward 7 are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

Bank account balances at December 31, 2018, totaled \$515,006 and of this amount, \$250,000 was secured by FDIC Insurance. The remaining amount of \$265,006 was secured with pledged securities from Gibsland Bank & Trust.

4. Receivables:

The following is a summary of receivables at December 31, 2018:

<u>Class of Receivable</u>	<u>General Fund</u>
Taxes- Ad Valorem	<u>\$427,263</u>

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

5. Leases:

On July 1, 1988, the District entered into three 99-year leases for land to be used for fire stations. The consideration for the leases is the benefit that will be provided to lessor by having fire protection equipment on the leased premises.

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

6. Capital Assets:

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

<u>Governmental Activities</u>	<u>Balance 01-01-18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12-31-18</u>
Capital Assets Not Depreciated:				
Land	\$ 17,071	\$ 0	\$0	\$ 17,071
Capital Assets Depreciated:				
Fire Trucks/Equipment	2,308,634	184,019	0	2,492,653
Buildings	<u>178,649</u>	<u>1,219</u>	<u>0</u>	<u>179,868</u>
Total Assets	<u>\$2,504,354</u>	<u>\$185,238</u>	<u>\$0</u>	<u>\$2,689,592</u>
Less Accumulated Depreciation:				
Fire Trucks/Equipment	\$1,374,860	\$154,573	\$0	\$1,529,433
Buildings	<u>96,342</u>	<u>6,768</u>	<u>0</u>	<u>103,110</u>
Total Depreciation	<u>\$1,471,202</u>	<u>\$161,341</u>	<u>\$0</u>	<u>\$1,632,543</u>
Net Capital Assets	<u>\$1,033,152</u>	<u>\$ 23,897</u>	<u>\$0</u>	<u>\$1,057,049</u>

Depreciation expense of \$161,341 was charged to the public safety function.

7. Ad Valorem Taxes:

The District levies taxes on real and business personal property located within the boundaries of Bienville Parish Fire Protection District, Ward 7. Property taxes are levied by the District on property values assessed by the Bienville Parish Tax Assessor and approved by the State of Louisiana Tax .

The Bienville Parish Sheriff's office bills and collects property taxes for the District. Collections are remitted to the District monthly. The District recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties and interest added	January 31
Lien date	January 31
Tax Sale	May 15

The District is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the District.

Bienville Parish Fire Protection District, Ward 7  
Notes to Financial Statements  
December 31, 2018

Assessed values are established by the Bienville Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2016. Total assessed value was \$42,223,228 in 2018. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$2,066,586 of the assessed value in 2018.

For the year ended December 31, 2018, taxes of 13.56 mills were levied on the property and were dedicated to fire protection.

8. Pending Litigation:

There were no civil suits seeking damages against the District outstanding at December 31, 2018.

9. Compensation Paid to Board Members:

The members of the Board of Commissioners of the District receive no compensation for their services.

10. Restatement of Net Position:

In the current year, old outstanding checks written in prior years totaling \$8,641 were voided. The ad valorem taxes received in the current year were \$50,133 less than the receivable recorded in the prior year. The net effect of these two restatements of net position is a reduction of \$41,492.

11. Subsequent Events:

Management has evaluated events through June 25, 2019, which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED  
SUPPLEMENTAL INFORMATION

Bienville Parish Fire Protection District, Ward 7  
General Fund  
Budgetary Comparison Schedule  
For the Year Ended December 31, 2018

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
Taxes	\$ 466,126	\$ 451,497	\$441,212	\$ (10,285)
Intergovernmental-				
State Grant	4,000	0	0	0
Local - Fire Insurance Rebate	7,000	9,385	11,856	2,471
Miscellaneous	3,350	8,262	7,454	(808)
Total Revenues	<u>\$ 480,476</u>	<u>\$ 469,144</u>	<u>\$460,522</u>	<u>\$ (8,622)</u>
<b>EXPENDITURES:</b>				
Current-				
Public Safety-				
Fuel	\$ 8,000	\$ 5,015	\$ 11,636	\$ (6,621)
Equipment Repairs & Maint.	35,000	15,041	38,277	(23,236)
Capital Outlay	800,430	258,615	185,238	73,377
Miscellaneous	1,500	0	0	0
Insurance	53,200	43,796	51,612	(7,816)
Legal & Accounting	26,000	13,660	13,100	560
Office Supplies/Postage	9,400	11,004	5,148	5,856
Outside Services	7,500	12,768	7,232	5,536
Rent	2,000	1,916	1,916	0
Building & Grounds	15,000	11,135	20,387	(9,252)
Salary/Related Costs	108,500	69,224	90,475	(21,251)
Supplies	20,000	110,661	22,358	88,303
Travel/Education	2,500	2,210	3,334	(1,124)
Utilities/Telephone	17,000	14,282	10,892	3,390
Uniforms	3,000	1,214	4,467	(3,253)
Volunteers	7,000	4,166	6,030	(1,864)
Total Expenditures	<u>\$1,116,030</u>	<u>\$ 574,707</u>	<u>\$472,102</u>	<u>\$102,605</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (635,554)	\$(105,563)	\$ (11,580)	\$ 93,983
Fund Balance-Beginning of Year	<u>951,849</u>	<u>951,849</u>	<u>951,849</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 316,295</u>	<u>\$ 846,286</u>	<u>\$940,269</u>	<u>\$ 93,983</u>

See accompanying notes and independent accountant's review report.

Bienville Parish Fire Protection District, Ward 7  
Schedule of Compensation, Benefits and Other Payments to  
Agency Head or Chief Executive Officer  
For the Year Ended December 31, 2018

Agency Head Name: Patrick Conley, Fire Chief

<u>Purpose</u>	<u>Amount</u>
Salary	\$35,142
Benefits- SS & Med.	2,688

See accompanying notes and independent accountant's review report.

Reporting Fraud and Misappropriations

Agency Name: Bienville Parish Fire Protection District, Ward 7

Fiscal Year End: December 31, 2018

<u>Element of Finding</u>	<u>Response</u>
1. A general statement describing the fraud or misappropriation that occurred.	Employee used debit and credit cards for personal use.
2. A description of the funds or assets that were the subject of the fraud or misappropriation (ex., utility receipts, petty cash, computer equipment).	Cash by use of debit and credit cards
3. The amount of funds or approximate value of assets involved.	\$9,954
4. The department or office in which the fraud or misappropriation occurred.	Fire Department
5. The period of time over which the fraud or misappropriation occurred.	Unknown (6+ months)
6. The title/agency affiliation of the person who committed or is believed to have committed the act of fraud or misappropriation.	Fire Chief
7. The name of the person who committed or is believed to have committed the act of fraud or misappropriation, if formal charges have been brought against the person and/or the matter has been adjudicated.	Patrick Conley
8. Is the person who committed or is believed to have committed the act of fraud still employed by the agency?	No
9. If the person who committed or is believed to have committed the act of fraud is still employed by the agency, do they have access to assets that may be subject to fraud or misappropriation?	N/A
10. Has the agency notified the appropriate law enforcement body about the fraud or misappropriation?	Yes
11. What is the status of the investigation at the date of the auditor's/accountant's report?	Complete

Reporting Fraud and Misappropriations  
(Continued)

Agency Name: Bienville Parish Fire Protection District, Ward 7

Fiscal Year End: December 31, 2018

<u>Element of Finding</u>	<u>Response</u>
12. If the investigation is complete and the person believed to have committed the act or fraud or misappropriation has been identified, has the agency filed charges against that person?	Per the District Attorney, charges will not be made if restitution is paid as scheduled.
13. What is the status of any related adjudication at the date of the auditor's/accountant's report?	Closed Issue
14. Has restitution been made or has an insurance claim been filed?	Yes (\$904 for 12 months)
15. Has the agency notified the Louisiana Legislative Auditor and the District Attorney in writing, as required by Louisiana Revised Statute 24:523 (Applicable to local governments only)	Yes
16. Did the agency's internal controls allow the detection of the fraud or misappropriation in a timely manner?	No
17. If the answer to the last questions is "no", describe the control deficiency/significant deficiency/material weakness that allowed the fraud or misappropriation to occur and not be detected in a timely manner.	Poor Internal Control Over Credit and Debit Cards
18. Management's plan to ensure that the fraud or misappropriation does not occur in the future.	Management has worked with the bank to limit functions of the debit card. There is now a daily limit and it will no longer work at an ATM for cash withdrawal.

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA – A Professional Corporation  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447  
[www.tcbtcpa.com](http://www.tcbtcpa.com)

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

Bienville Parish Fire  
Protection District, Ward 7  
Bienville Parish, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Bienville Parish Fire Protection District, Ward 7 (District) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2018, included in the Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**PUBLIC BID LAW**

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$154,450, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures found to be in violation.

**CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1724 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

Not applicable.

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

Not applicable.

#### BUDGETING

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

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

6. Trace the budget adoption to the minute book.

We traced the adoption of the original budget to the minutes of the District. It was adopted by a unanimous decision.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

Both actual revenues and expenditures for the year were within the 5% variance allowed.

#### ACCOUNTING AND REPORTING

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee:

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

- (b) determine if payments were properly coded to the correct fund and general ledger account:

Each disbursement appeared to be coded correctly.

- (c) determine whether payments received approval from proper authorities:

Inspection of supporting documentation showed written approval. In addition, non-recurring entries were discussed and approved in the minutes.

### MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management has asserted that such documents were properly posted.

### DEBT

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or any other indebtedness which have not been approved by the State Bond Commission.

We inspected copies of all bank deposits for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or other indebtedness that had not been approved by the State Bond Commission.

### ADVANCES AND BONUSES

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

Not applicable.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Bienville Parish Fire Protection District, Ward 7 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Thomas, Cunningham, Broadway & Todtenbier, CPAs*

Thomas, Cunningham, Broadway, & Todtenbier  
Natchitoches, Louisiana

June 25, 2019

BIENVILLE PARISH FIRE PROTECTION DISTRICT, WARD 7

LOUISIANA ATTESTATION QUESTIONNAIRE

2019  
JUN 27 2019

Thomas, Cunningham, Broadway & Todtenbier CPA's  
321 Bienville Street  
Natchitoches, LA 71457

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2018 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

**Public Bid Law**

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

Yes  No

**Code of Ethics for Public Officials and Public Employees**

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

Yes  No

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

Yes  No

**Budgeting**

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

Yes  No

**Accounting and Reporting**

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

Yes  No

Gen-3

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

Yes  No

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

Yes  No

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

Yes  No

#### Meetings

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

Yes  No

#### Debt

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

Yes  No

#### Advances and Bonuses

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

Yes  No

#### Prior-Year Comments

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

Yes  No

#### General

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

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

Yes  No

Signed by and title Dina C. R. ✓ - FIRE CHIEF

Bienville Parish Fire Protection District, Ward 7  
Schedule of Findings  
Year Ended December 31, 2018

For the year ended December 31, 2018, the District has the following internal control finding:

*2018-001      Insufficient Controls over Credit and Debit Cards*

*Condition* – Adequate controls over credit and debit cards require that original receipts for each transaction are obtained and management (someone other than the person using the card) reviews and approves the transaction. The Fire Chief misappropriated District funds by using cards for personal use. There was no management oversight by the Board of debit card transactions on the bank statements or credit card statements.