

LIVINGSTON PARISH FIRE PROTECTION DISTRICT NO. 2
SPRINGFIELD, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2020



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

A Professional Accounting Corporation



Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
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As of and For the Year Ended December 31, 2020

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A P R O F E S S I O N A L A C C O U N T I N G C O R P O R A T I O N

Independent Accountant's Review Report

To the Board of Commissioners
Livingston Parish Fire Protection District No. 2
Springfield, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of Livingston Parish Fire Protection District No. 2, a component unit of the Livingston Parish Council, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

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 conclusion.

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 Paragraph(s)

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head is 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 to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison on page 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted the Management's Discussion and Analysis information 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.

Respectfully submitted,

Chris Johnson

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Albany, Louisiana
June 25, 2021

Basic Financial Statements

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Statement of Net Position
December 31, 2020

Exhibit A

	<u>Governmental Activities</u>
Assets	
Cash	\$ 157,706
Accounts Receivable, Net	320,610
Prepaid Insurance	42,118
Land	104,171
Capital Assets, Net	<u>653,851</u>
 Total Assets	 <u>1,278,456</u>
Liabilities	
Accounts Payable	5,546
Payroll Liabilities	2,164
Pension Funds Payable	<u>13,563</u>
 Total Liabilities	 <u>21,273</u>
Net Position	
Net Investment in Capital Assets	758,022
Unrestricted	<u>499,161</u>
 Total Net Position	 <u>\$ 1,257,183</u>

See accompanying notes and independent accountant's review report.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Statement of Activities
For the Year Ended December 31, 2020

Exhibit B

	General Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants	Governmental Activities
Governmental Activities:				
Fire Protection	\$ 311,886	\$ -	\$ -	\$ (311,886)
Depreciation Expense	94,938	-	-	(94,938)
Total Governmental Activities	\$ 406,824	\$ -	\$ -	(406,824)
 General Revenues:				
Ad Valorem Tax Revenue				337,961
Donations				9,000
Hall Rent				2,600
Insurance Rebate				51,134
Interest Income				396
State Revenue Sharing				2,478
Miscellaneous Income				3,511
Total General Revenues				407,080
Change in Net Position				256
Net Position - Beginning of the Year				1,256,927
Net Position - End of the Year				\$ 1,257,183

See accompanying notes and independent accountant's review report.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
 Governmental Fund – Balance Sheet
 December 31, 2020

Exhibit C

	General Fund
Assets	
Cash	\$ 157,706
Accounts Receivable, Net	320,610
Prepaid Insurance	42,118
 Total Assets	 \$ 520,434
Liabilities and Fund Balance	
Liabilities:	
Accounts Payable	\$ 5,546
Payroll Liabilities	2,164
Pension Funds Payable	13,563
Total Liabilities	21,273
Fund Balance:	
Nonspendable, Prepaid Insurance	42,118
Unassigned	457,043
Total Fund Balance	499,161
 Total Liabilities and Fund Balance	 \$ 520,434

See accompanying notes and independent accountant's review report.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
For the Year Ended December 31, 2020

Exhibit D

Total Fund Balances, Governmental Funds (Exhibit C) \$ 499,161

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 funds. These assets consist of:

Governmental Capital Assets, Net of Depreciation 758,022

Net Position of Governmental Activities (Exhibit A) \$ 1,257,183

See accompanying notes and independent accountant's review report.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Statement of Governmental Fund Revenues, Expenditures, and
Change in Fund Balance
For the Year Ended December 31, 2020

Exhibit E

	General Fund
Revenues:	
Ad Valorem Tax Revenue	\$ 337,961
Donations	9,000
Hall Rent	2,600
Insurance Rebate	51,134
Interest Income	396
State Revenue Sharing	2,478
Miscellaneous Income	3,511
Total Revenues	407,080
Expenditures:	
Salaries and Related Benefits	96,508
Building Maintenance	8,516
Insurance	53,450
Medical Supplies	516
Miscellaneous	2,885
Office Supplies	4,648
Pension Fee	13,563
Professional Fees	3,760
Services Rendered	15,000
Supplies	46,206
Training	906
Utilities	19,002
Vehicle Maintenance	46,926
Capital Outlay	103,884
Total Expenditures	415,770
Net Change in Fund Balance	(8,690)
Fund Balance - Beginning of the Year	507,851
Fund Balance - End of the Year	\$ 499,161

See accompanying notes and independent accountant's review report.

Livingston Parish Fire Protection District No. 2

Exhibit F

Springfield, Louisiana

Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and
Change in Fund Balance to the Government-Wide Statement of Activities
For the Year Ended December 31, 2020

Net Change in Fund Balance, Governmental Funds (Exhibit E) \$ (8,690)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay	103,884
Depreciation Expense	<u>(94,938)</u>

Change in Net Position of Governmental Activities (Exhibit B) \$ 256

See accompanying notes and independent accountant's review report.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Notes to Financial Statements
For the Year Ended December 31, 2020

Narrative Profile

The Fire Protection District No. 2 of Livingston Parish (hereinafter referred to as the “District”) was created on June 16, 1971, by the Livingston Parish Council (hereinafter referred to as the “Council”) as authorized by Act 194 of 1942 Regular Session of the Louisiana Legislature. The District was created for the purpose of acquiring, maintaining, and operating buildings, machinery, equipment, water tanks, water hydrants and waterlines, and other things necessary to provide proper fire prevention and control of the property within the District. The boundaries of the District encompass all of Ward 6 and Ward 10 of Livingston Parish and provide fire protection to approximately 4,200 residents. The District is governed by a board of commissioners consisting of five members who are resident taxpayers of the District. These five commissioners are referred to as the Board of Commissioners. Two members are appointed by the Council, one member is appointed by the Town of Springfield and one member is appointed by the Town of Killian, the municipal corporations located within the District. The fifth board member is selected by the other four board members and serves as chairperson. The members serve terms of two years. Vacancies are filled by the bodies making the original appointments.

The District has ten paid employees: one clerical employee, one fire chief, and eight paid firefighters. The District maintains an office and fire station in Springfield, Louisiana, and four additional fire stations within the District in the communities of Killian, Lizard Creek, Bayou Barbary, and Hutchinson.

The accompanying financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, issued in June 1999. Management has elected to omit the Management’s Discussion and Analysis.

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

As the governing authority of the Parish, for reporting purposes, the Council is the financial reporting entity for Livingston Parish. The financial reporting entity consists of (a) primary government (the Council), (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 statement to be misleading or incomplete. Because Board members of the District are appointed by the Council, the District was determined to be a component unit of the Council.

The accompanying basic financial statements present information only on the fund maintained by the District and do not present information on the Council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Fund Accounting

The District uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana

Notes to Financial Statements (Continued)
For the Year Ended December 31, 2020

Governmental Funds

Governmental funds account for all of the District's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the District. The following is the District's governmental fund.

General Fund – the primary operating fund of the District, which accounts for all the operations of the District, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District policy.

C. Measurement Focus / Basis of Accounting

Basic Financial Statements – Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include all the non-fiduciary activities of the District. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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. Interest earnings and other revenues not properly included among program revenues are reported instead as general revenues.

The District does not allocate indirect expenses.

Basic Financial Statements – Governmental Fund

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of District's operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become

Livingston Parish Fire Protection District No. 2

Springfield, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2020

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

Revenues – Revenues are generally recognized when they become measurable and available as net current assets. Ad valorem tax revenue, state revenue sharing revenue, and interest revenue are recorded when due. Substantially all other revenues are recorded when received.

Expenditures – Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Reconciliation – Explanation of differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities is presented in Statement F of the basic financial statements

D. Budgets and Budgetary Accounting

Budgetary procedures applicable to the District are defined in state law, Louisiana Revised Statutes (LRS) 39:1301-15. The budget is adopted on the cash basis of accounting. The major requirements of the Local Government Budget Act are summarized as follows:

1. The District adopts a budget each year for the general fund.
2. *The District's secretary and Fire Chief prepare a proposed budget and submit it to the Board of Commissioners for consideration no later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal. The proposed expenditures were less than \$500,000; therefore, a public hearing was not required.*
3. All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. The budget was adopted on December 30, 2019.
4. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Commissioners. The budget was amended on December 15, 2020.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Notes to Financial Statements (Continued)
For the Year Ended December 31, 2020

5. Formal budgetary integration is not employed; however, periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the revised adopted budget amounts. The amounts are reconciled to the amounts reflected on the budget comparison statements as follows:

Net Change in Fund Balance (Exhibit E)	\$ (8,690)
Add: Prior Year Receivables	300,895
Prior Year Prepaid Insurance	44,522
Current Year Payables	21,275
Less: Current Year Receivables	(320,610)
Current Year Prepaid Insurance	(42,118)
Prior Year Payables	(27,922)
Net Change in Budgetary Fund Balance (Schedule 1)	\$ (32,648)

Actual expenditures were less than budgeted expenditures. Actual revenues were greater than budgeted revenues. The District is in compliance with the Louisiana Local Government Budget Act.

E. Cash, Cash Equivalents, and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Under State law, the District may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In addition, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments for the District are stated at cost. The governing body has not formally adopted a deposit and investment policy.

F. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Capital Assets

Capital outlays are recorded as expenditures of the governmental funds and as assets in the government-wide financial statements. Capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are valued at their estimated fair market value at the date of donation. At December 31, 2020, the District did not have a formal capitalization policy establishing a capitalization / expense threshold.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Notes to Financial Statements (Continued)
For the Year Ended December 31, 2020

H. Compensated Absences

The District does not pay for vacation or sick leave, and, as a result, has no liability for compensated absences at December 31, 2020.

I. Net Position

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

1. Net Investment in Capital Assets – consists of the historical cost of capital assets, including any 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.
2. Restricted – consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted – all other net position is reported in this category.

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

J. Fund Balance

In the governmental fund financial statements, fund balance is classified as follows:

1. Nonspendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
2. Restricted Fund Balance – amounts that can be spent only for specific purposes because of enabling legislation, or externally imposed conditions by grantors, creditors, or citizens.
3. Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the Board of Commissioners (the District's highest level of decision-making authority).
4. Assigned Fund Balance – amounts that are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned Fund Balance – all amounts not included in other spendable classifications.

When fund balance resources are available for a specific purpose in multiple classifications, the District will generally use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. However, the District's management reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

As of December 31, 2020, the District did not have any restricted, committed, or assigned fund balances.

Livingston Parish Fire Protection District No. 2

Springfield, Louisiana

Notes to Financial Statements (Continued)

For the Year Ended December 31, 2020

K. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make various estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Levied Taxes

Ad valorem taxes attach as an enforceable lien on property on January 1 each year. Taxes are levied by the District during the year, are billed to taxpayers, and become due in November. Billed taxes become delinquent on December 31 of each year. Revenues from ad valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Livingston Parish Sheriff's Office bills and collects the property taxes using the assessed value determined by the Livingston Parish Tax Assessor. The taxes are generally collected in December of the current year and January and February of the ensuing year. For 2020, the District levied 10.00 mills for a total tax levy of \$346,760 on taxable property valuation totaling \$34,675,991.

3. Cash and Cash Equivalents

As reflected on Exhibit A, the District has cash and cash equivalents totaling \$157,706 at December 31, 2020. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledged securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged 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.

The following is a summary of cash and cash equivalents at December 31, 2020, with the related federal deposit insurance and pledged securities.

Bank Balances:

Insured (FDIC Insurance)	\$ 156,673
Uninsured and Collateralized:	
Collateral held by pledging bank's trust department not in the District's name	-
Uninsured and Uncollateralized	-
Total Deposits	<u>\$ 156,673</u>

Even though the pledged securities are not held in the entity's name, LRS 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand. Deposits collateralized by pledged securities are considered to be exposed to credit risk (Category 3) under the provisions of GASB Statement 40. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial risk. As of December 31, 2020, all of the District's bank balances were FDIC insured.

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Notes to Financial Statements (Continued)
For the Year Ended December 31, 2020

4. Receivables

Receivables represent revenues earned in 2020 and received in 2021 as follows:

Ad Valorem Taxes	\$ 333,179
State Revenue Sharing	2,431
Less: Allowance for Uncollectible Taxes	<u>(15,000)</u>
Receivable, Net	<u>\$ 320,610</u>

5. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2020 are as follows:

	Balance 01/01/20	Increases	Decreases	Balance 12/31/20
Capital Assets Not Being Depreciated:				
Land	\$ 54,124	\$ 50,047	\$ -	\$ 104,171
Total Capital Assets Not Being Depreciated	54,124	50,047	-	104,171
Other Capital Assets:				
Buildings	367,245	21,063	-	388,308
Equipment	744,916	32,774	-	777,690
Vehicles	857,710	-	-	857,710
Total Other Capital Assets	1,969,871	53,837	-	2,023,708
Less Accumulated Depreciation:				
Buildings	(136,187)	(9,652)	-	(145,839)
Equipment	(545,127)	(49,091)	-	(594,218)
Vehicles	(593,605)	(36,195)	-	(629,800)
Total Accumulated Depreciation	(1,274,919)	(94,938)	-	(1,369,857)
Other Capital Assets, Net	694,952	(41,101)	-	653,851
Totals	<u>\$ 749,076</u>	<u>\$ 8,946</u>	<u>\$ -</u>	<u>\$ 758,022</u>

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

Land	N/A
Buildings	40 Years
Equipment	5 - 12 Years
Vehicles	5 - 15 Years

Livingston Parish Fire Protection District No. 2
Springfield, Louisiana
Notes to Financial Statements (Continued)
For the Year Ended December 31, 2020

6. Contract with the Fire Protection District No. 2 of Livingston Parish Volunteer Fire Department

For the year ended December 31, 2020, \$15,000 was transferred to the Fire Protection District #2 of Livingston Parish Volunteer Fire Department, Inc. under the existing cooperative endeavor agreement in which the Volunteer Fire Department would provide fire protection services to the District. Any amounts transferred to the Fire Protection District #2 of Livingston Parish Volunteer Fire Department, Inc. are accounted for and reported separately in the financial statements of the Volunteer Fire Department.

7. Compensation Paid Board Members

In accordance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, the District is required to present a schedule of per diem payments to Board members. As authorized by LRS 40:1498, each member of the Board shall be reimbursed \$30 for attending meetings of the board, not to exceed two meetings in any one calendar month, and may be reimbursed any expenses incurred in performing the duties imposed upon them by virtue of their serving as members. Currently, the District does not pay compensation to board members.

8. Contingent Liabilities

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks of loss are covered by a comprehensive commercial insurance policy and workers compensation insurance. Claims resulting from these risks have historically not exceeded insurance coverage. Therefore, no accrual for any loss contingency has been made in the financial statements.

9. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 25, 2021, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Required Supplemental Information:
Budgetary Comparison Schedule

Livingston Parish Fire Protection District No. 2

Schedule 1

Springfield, Louisiana

Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts - Cash Basis	Variance with Final Budget Favorable / (Unfavorable)
Revenues:				
Ad Valorem Tax Revenue	\$ 325,000	\$ 303,779	\$ 318,246	\$ 14,467
Donations	-	6,000	9,000	3,000
Hall Rent	4,000	2,600	2,600	-
Insurance Rebate	50,000	51,134	51,134	-
Interest Income	100	85	396	311
State Revenue Sharing	2,584	2,478	2,478	-
Miscellaneous Income	-	-	3,511	3,511
Total Revenues	<u>381,684</u>	<u>366,076</u>	<u>387,365</u>	<u>21,289</u>
Expenditures:				
Salaries and Related Benefits	85,000	101,848	96,811	5,037
Bad Debts	10,000	10,000	-	10,000
Building Maintenance	20,000	18,831	8,515	10,316
Insurance	64,000	64,000	51,046	12,954
Medical Supplies	1,000	992	516	476
Office Supplies	7,000	4,632	4,648	(16)
Pension Fee	10,000	10,000	13,581	(3,581)
Professional Fees	5,000	3,760	3,760	-
Services Rendered	15,000	15,000	15,000	-
Supplies	50,000	64,840	47,230	17,610
Training	-	360	360	-
Utilities	19,000	17,454	19,002	(1,548)
Vehicle Maintenance	60,000	52,039	52,773	(734)
Miscellaneous	4,500	2,709	2,887	(178)
Capital Outlay	20,000	74,959	103,884	(28,925)
Total Expenditures	<u>370,500</u>	<u>441,424</u>	<u>420,013</u>	<u>21,411</u>
Net Change in Budgetary Fund Balance	11,184	(75,348)	(32,648)	42,700
Budgetary Fund Balance - January 1	<u>88,450</u>	<u>190,354</u>	<u>190,354</u>	<u>-</u>
Budgetary Fund Balance - December 31	<u>\$ 99,634</u>	<u>\$ 115,006</u>	<u>\$ 157,706</u>	<u>\$ 42,700</u>

See independent accountant's review report.

Other Supplemental Information

Livingston Parish Fire Protection District No. 2

Schedule 2

Springfield, Louisiana

Schedule of Compensation, Benefits, and Other Payments to Agency Head

For the Year Ended December 31, 2020

Agency Head: Brian Drury, Chief

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 18,000
Benefits - Insurance	-
Benefits - Retirement	-
Deferred Compensation	-
Benefits - Other - Supplemental Pay	-
Car Allowance	-
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone	-
Dues	-
Per Diem	-
Reimbursements	-
Travel	-
Registration Fees	-
Conference Travel	-
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ 18,000</u>

See independent accountant's review report.

Other Independent Accountant's Report

CHARLES P. HEBERT, CPA

CHRISTOPHER S. JOHNSON, CPA, MBA

ADAM C. HEBERT, CPA

MEMBER

American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants



**Hebert Johnson
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A P R O F E S S I O N A L A C C O U N T I N G C O R P O R A T I O N

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners
Livingston Parish Fire Protection District No. 2
Springfield, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Livingston Parish Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Livingston Parish Fire Protection District No. 2's compliance with certain laws and regulations during the year ended December 31, 2020 included in the accompanying Louisiana Attestation Questionnaire. Management of Livingston Parish Fire Protection District No. 2 is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of 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.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1755 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

The District did not make any purchases for materials and supplies exceeding \$30,000 or public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provide us with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provide us with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list of employees provided by management in agreed-upon procedure 3 appeared on the list provided by management in agreed-upon procedure 2.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided us with the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

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

Management provided us with a copy of the original budget and the amendments to the original budget.

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

We traced the adoption of the original budget to the minutes of a meeting held on December 30, 2019. We traced the amendments to the minutes of a meeting held on December 15, 2020.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues were above budgeted amounts, actual expenditures were less than budgeted expenditures.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and: (a) report whether the six disbursements agree to the amount and payee in the supporting documentation, (b) report whether the six disbursements are coded to the correct fund and general ledger account, and (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

All disbursements agree to the amount and payee in the supporting documentation. Disbursements were coded to the correct fund and general ledger account. The disbursements were approved in accordance with management's policies and procedures.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management provided us with a copy of the posted meetings with agendas. We have a copy of the agenda for the meeting on January 28, 2020.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We noted no deposits that appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We scanned payroll disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. We found no payments or approval for payments to employees that would constitute bonuses, advances or gifts.

State Audit Law

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

The District's report was dated and submitted timely in accordance with R.S. 24:513.

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

The District did not enter into any contracts that utilized state funds.

Prior-Year Comments

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

The District's prior year report did not include any suggestions, exceptions, recommendations, or comments.

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

This report is intended solely for the use of management of Livingston Parish Fire Protection District No. 2 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.

Respectfully submitted,

Chris Johnson

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Albany, Louisiana
June 25, 2021

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

4-26-21 (Date Transmitted)

Hebert Johnson & Associates, Inc.
PO Box 1151
Ponchatoula LA 70454

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 4-26-21.

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 [x] 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 [x] 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 [x] 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 [x] 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 [x] No []

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

Yes [x] No []

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

Yes [x] No []

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

Yes [x] 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 [x] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.
Yes [x] 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 [x] 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 [x] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.
Yes [x] 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 [x] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.
Yes [x] 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 [x] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.
Yes [x] 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 [x] 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 [x] No []

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

Maya Barnes Secretary 04/26/21 Date
Ben Treasurer _____ Date
Ben President 04/26/21 Date