

St. Helena Fire Protection District No. 4

Annual Financial Statements

As of and for the Year Then Ended December 31, 2019
With Supplementary Information Schedules



BRUCE HARRELL & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
A Professional Accounting Corporation

St. Helena Fire Protection District No. 4
Annual Financial Statements
As of and for the Year Ended December 31, 2019
With Supplementary Information Schedules

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Independent Accountant's Review Report

Board of Commissioners
St. Helena Fire Protection District No. 4
Greensburg, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the St. Helena Fire Protection District No. 4, Greensburg, Louisiana, a component unit of the St. Helena Parish Police Jury, as of and for the year ended December 31, 2019, 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 the 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 taken 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 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 in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the 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 Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8-13 and page 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental

BRUCE HARRELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
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St. Helena Fire Protection District No. 4
Independent Accountant's Review Report
Page 2

Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have reviewed such required supplementary information, and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on it.

Supplementary Information

The supplementary information contained in the Other Supplementary Information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. We have reviewed such supplementary information, and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on it.

Schedule of Findings and Responses

During procedures necessary to perform the review engagement, certain conditions came to our attention that we consider to be instances of noncompliance with laws, regulations, contracts or grant agreements and which are described in the accompanying schedule of findings and responses.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

Kentwood, Louisiana
July 6, 2020

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Required Supplementary Information (Part I)
Management's Discussion and Analysis

St. Helena Fire Protection District No. 4
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2019

Introduction

The St. Helena Fire Protection District No. 4, Greensburg, Louisiana (the District) is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* (GASB 34), and related standards.

The District's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position, (d) identify any significant variations from the District's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the District's financial statements in this report.

Financial Highlights

- At December 31, 2019, the District's assets exceeded its liabilities by \$406,302 (net position). Of this amount, \$283,172 (unrestricted net position) may be used to meet the District's ongoing obligations to its citizens.
- For the year ended December 31, 2019, the District's total net position increased by \$12,454.
- At December 31, 2019, the District's governmental funds reported combined ending fund balances of \$333,285, an increase of \$7,580 for the year. Of this amount, approximately 82.70% percent is available for spending at the District's discretion (unassigned fund balances).
- For the year ended December 31, 2019, the District's total debt for governmental funds increased by \$3,485 due to the revenue bond and capital lease principal payments offset by a new capital lease for equipment and vehicle.

Overview of the Annual Financial Report

The financial statement focus is on both the District as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the District's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The MD&A is intended to serve as an introduction to the District's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**St. Helena Fire Protection District No. 4
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2019**

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. It now provides readers a concise "entity-wide" Statement of Net Position and Statement of Activities, seeking to give the user of the financial statements a broad overview of the District's financial position and results of operations in a manner similar to a private sector. If the District determines that presentation of a component unit (which are other governmental units for which the District can exercise significant influences or for which the Primary Government financial statements would be misleading if component unit information is not presented) is necessary to allow the reader to determine the relationship of the component unit and primary government, the component unit information is presented in a separate column of the financial statements or in a separate footnote. For the current fiscal year, the St. Helena Fire Protection District No. 4 has no component units.

The Statement of Net Position presents information on all the District's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The difference between the assets and liabilities is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The District uses one category of funds to account for financial transactions: governmental funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental funds are used to account for most of the District's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the District's more immediate decisions on the current use of financial resources. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**St. Helena Fire Protection District No. 4
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2019**

The District maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Debt Service Fund, which are considered to be major funds. The basic government-wide fund financial statements can be found on Statements A and B of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the District's net position for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position in this report.

**Net Position
2019 and 2018**

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Assets:		
Current and Other Assets	\$ 371,928	\$ 358,419
Capital Assets	180,491	171,896
Total Assets	<u>552,419</u>	<u>530,315</u>
Liabilities:		
Long-Term Debt Outstanding	106,037	102,552
Other Liabilities	40,080	33,915
Total Liabilities	<u>146,117</u>	<u>136,467</u>
Net Position:		
Net Investment in Capital Assets	73,017	68,143
Restricted for Debt Service	50,113	48,848
Unrestricted	283,172	276,857
Total Net Position	<u>\$ 406,302</u>	<u>\$ 393,848</u>

A large portion of the District's total assets is its investment in capital assets (e.g., land, land improvements, buildings, equipment, etc.) of \$180,491. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The increase in Capital Assets of \$8,595 is due to the current year capital outlays of \$36,210, less depreciation expense of \$27,615.

The District had \$50,113 in net position subject to external restrictions on how they may be used. The District's restricted net position consists of cash reserves and ad valorem tax receivables less accrued interest payable in the Debt Service Fund.

The District had \$283,172 in unrestricted net position that may be used to meet the District's ongoing obligations to citizens and creditors.

The District's Net Investment in Capital Assets of \$73,017 indicates the amount the investment in capital assets exceeds the amount of related debt on capital assets.

**St. Helena Fire Protection District No. 4
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2019**

At the end of the current fiscal year, the District was able to report positive overall net position balances in both the government-wide and governmental activities. The same held true for the prior fiscal year.

**Changes in Net Position
For the years ended December 31, 2019 and 2018**

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 30,000	\$ 30,000
Operating Grants and Contributions	5,647	-
General Revenues:		
Ad Valorem Taxes	339,123	331,405
Interest Income	607	648
Miscellaneous	23,766	14,834
Gain (Loss) on Sale of Assets	5,485	-
Total Revenues	<u>404,628</u>	<u>376,887</u>
Expenses:		
Public Safety Fire Protection	388,122	362,594
Bond Interest	3,271	3,801
Capital Lease Interest	781	599
Total Expenses	<u>392,174</u>	<u>366,994</u>
Change in Net Position	12,454	9,893
Net Position, Beginning	393,848	383,955
Net Position, Ending	<u>\$ 406,302</u>	<u>\$ 393,848</u>

Governmental Activities

The District's net position increased by \$12,454 to \$406,302.

The District's general revenues increased overall by \$27,741 from the prior year mainly due to an increase in Ad Valorem Taxes in the amount of \$7,718 and an increase of \$8,932 in miscellaneous revenue, an increase of \$5,485 from gain on sale of assets and an increase in grants of \$5,647.

Expenses of the District increased by \$25,180.

Fund Financial Analysis

As of the end of the current fiscal year, the District's General Fund and Debt Service Fund reported ending fund balances of \$283,172 and \$50,113, respectively. This represents an increase of \$6,315 and an increase of \$1,265 respectively from prior year balances.

**St. Helena Fire Protection District No. 4
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2019**

General Fund Budgetary Highlights

For the general fund, there were no variances of actual revenues to final budgeted amounts and no variance of actual expenditures to final budgeted amounts that would constitute a violation of state budget law. The District also maintains a positive fund balance.

- Total actual revenue was more than the final budget by \$12,359 for 2019.
- The budgeted capital outlay expenditures decreased by \$2,590 from the final budget.
- Actual expenditures for 2019 were more than the amended budget by \$3,726.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2019 amounts to \$180,491 (net of depreciation). The total increase in the District's investment in capital assets for the current fiscal year was \$8,595 (net of depreciation).

The capital additions, which included a vehicle, jaws of life equipment, and various other equipment totaled \$36,210.

The following table provides a summary of the District's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information, see Note 6 to the financial statements in this report.

**Capital Assets (Net of Depreciation)
2019 and 2018**

Capital Assets	Governmental Activities	
	2019	2018
Land	\$ 14,318	\$ 14,318
Buildings and Improvements	100,695	100,695
Equipment	339,970	324,521
Furniture and Fixtures	646	646
Vehicles	266,474	337,432
Subtotal Capital Assets	722,103	777,612
Less: Accumulated Depreciation	(541,612)	(605,716)
Capital Assets, Net	\$ 180,491	\$ 171,896

**St. Helena Fire Protection District No. 4
Management's Discussion and Analysis
As of and for the Year Ended December 31, 2019**

Long-Term Debt

At December 31, 2019, the District had total debt outstanding of \$106,037. Of this total, \$43,337 is due within one year and \$62,700 is due within greater than one year. The following table provides a summary of the District's outstanding debt at the end of the current year as compared to the prior year. For more detailed information, see Note 8 to the financial statements in this report.

Outstanding Debt		2019 and 2018	
		Governmental Activities	
		2019	2018
Capital Leases	\$	41,037	\$ 7,552
Revenue Bonds		65,000	95,000
Total Outstanding Debt	\$	<u>106,037</u>	<u>\$ 102,552</u>

Economic Factors and next year's Budget and Rates

The District expects, based on current trends, that ad valorem tax revenue will remain relatively stable, and the Board will actively monitor expenditures to ensure that the District remains in compliance with requirements of budget law and sound financial management.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and show the District's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to Wayne Jones, President, St. Helena Fire Protection District No. 4, 8352 Hwy 37, Greensburg, Louisiana, 70441, Phone 225-222-4723.

Basic Financial Statements
Government-Wide Financial Statements

St. Helena Fire Protection District No. 4
Statement of Net Position
As of December 31, 2019

Statement A

		<u>Governmental Activities</u>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$	24,632
Receivables, Net:		
Intergovernmental		5,647
Ad Valorem Taxes Receivable		331,439
Other Receivables		2,590
Prepaid Insurance		7,620
Total Current Assets		<u>371,928</u>
Capital Assets:		
Land		14,318
Capital Assets, Net		<u>166,173</u>
Total Capital Assets		<u>180,491</u>
Total Assets		<u><u>552,419</u></u>
Liabilities		
Current Liabilities:		
Accounts Payable		20,567
Other Accrued Payables		18,076
Bonds Payable		30,000
Capital Leases		13,337
Accrued Interest Payable		1,437
Total Current Liabilities		<u>83,417</u>
Long Term Liabilities:		
Bonds Payable		35,000
Capital Leases		<u>27,700</u>
Total Long Term Liabilities		<u>62,700</u>
Total Liabilities		<u>146,117</u>
Net Position		
Net Investment in Capital Assets		73,017
Restricted for:		
Debt Service		50,113
Unrestricted		<u>283,172</u>
Total Net Position	\$	<u><u>406,302</u></u>

See accompanying notes and independent accountant's review report.

St. Helena Fire Protection District No. 4
Statement of Activities
For the year ended December 31, 2019

	Program Revenues				Net (Expenses) Revenues and Changes of Primary Government
Expenses	Charges for Services	Operating Grants & Contributions	Net (Expenses) Revenues	Governmental Activities	
Governmental Activities					
Public Safety, Fire Protection	\$ 388,122	\$ 30,000	\$ 5,647	\$ (352,475)	\$ (352,475)
Bond Interest Expense	3,271	-	-	(3,271)	(3,271)
Capital Lease Interest	781	-	-	(781)	(781)
Total Governmental Activities	392,174	30,000	5,647	(356,527)	(356,527)
General Revenues:					
Taxes:					
Ad Valorem Taxes					339,123
Interest Income					607
Miscellaneous					23,766
Gain (Loss) on Sale of Assets					5,485
Total General Revenues and Transfers					368,981
Change in Net Position					12,454
Net Position - Beginning					393,848
Net Position - Ending					\$ 406,302

See accompanying notes and independent accountant's review report.

Basic Financial Statements

Fund Financial Statements

Statement C

St. Helena Fire Protection District No. 4
Balance Sheet, Governmental Funds
As of December 31, 2019

	<u>General</u> <u>Fund</u>	<u>Debt Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Assets			
Cash and Equivalents	\$ 6,155	\$ 18,477	\$ 24,632
Receivables, Net:			
Intergovernmental	5,647	-	5,647
Ad Valorem Taxes Receivable	296,308	35,131	331,439
Other Receivables	2,590	-	2,590
Due From Other Funds	2,341	-	2,341
Prepaid Insurance	7,620	-	7,620
Total Assets	\$ 320,661	\$ 53,608	\$ 374,269
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 20,567	\$ -	\$ 20,567
Other Accrued Liabilities	16,922	1,154	18,076
Due to Other Funds	-	2,341	2,341
Total Liabilities	37,489	3,495	40,984
Fund Balances:			
Nonspendable	7,620	-	7,620
Restricted	-	50,113	50,113
Unassigned	275,552	-	275,552
Total Fund Balances	283,172	50,113	333,285
Total Liabilities and Fund Balances	\$ 320,661	\$ 53,608	\$ 374,269

See accompanying notes and independent accountant's review report.

**St. Helena Fire Protection District No. 4
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position
As of December 31, 2019**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balances, Total Governmental Funds (Statement C)	\$	333,285
<p>Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds.</p>		
Governmental capital assets net of depreciation		180,491
<p>Long-term liabilities including bonds payable and capital leases payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
Bonds Payable		(65,000)
Capital Leases Payable		(41,037)
<p>Accrued interest on bonds payable and capital leases payable are not accrued in the governmental funds.</p>		
Accrued Interest, Bonds Payable		(918)
Accrued Interest, Capital Leases Payable		(519)
Net Position of Governmental Activities (Statement A)	\$	<u>406,302</u>

See accompanying notes and independent accountant's review report.

Statement E

St. Helena Fire Protection District No. 4
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the year ended December 31, 2019

	General Fund	Debt Service Fund	Total Governmental Funds
Revenues			
Ad Valorem Taxes	\$ 303,067	\$ 36,056	\$ 339,123
Service Fees	30,000	-	30,000
Intergovernmental	5,647	-	5,647
Interest	554	53	607
Miscellaneous	23,766	-	23,766
Total Revenues	363,034	36,109	399,143
Expenditures			
Public Safety: Fire			
Salaries	150,026	-	150,026
Benefits	25,628	-	25,628
Payroll Taxes	11,477	-	11,477
Insurance	35,773	-	35,773
Fuel & Vehicle Expense	39,057	-	39,057
Other operating	8,604	-	8,604
Professional Fees	15,207	-	15,207
Repairs and Maintenance	8,621	-	8,621
Supplies	49,041	-	49,041
Telephone	5,058	-	5,058
Utilities	10,511	-	10,511
Capital Outlays	36,210	-	36,210
Debt Service			
Principal	7,552	30,000	37,552
Interest	476	3,340	3,816
Other	-	1,504	1,504
Total Expenditures	403,241	34,844	438,085
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,207)	1,265	(38,942)
Other Financing Sources (Uses)			
Capital Lease Proceeds	41,037	-	41,037
Sale of Assets Proceeds	5,485	-	5,485
Total Other Financing Sources (Uses)	46,522	-	46,522
Net Change in Fund Balances	6,315	1,265	7,580
Fund Balances, Beginning	276,857	48,848	325,705
Fund Balances, Ending	\$ 283,172	\$ 50,113	\$ 333,285

See accompanying notes and independent accountant's review report.

St. Helena Fire Protection District No. 4
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended December 31, 2019

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

Net Change in Fund Balances, Total Governmental Funds, Statement E \$ 7,580

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Expenditures for capital assets	\$	36,210	
Less:			
Current year depreciation		(27,615)	8,595

The net effect of transactions involving the disposal of capital assets is to decrease net assets:

Proceeds from sale of assets	\$	5,485	
Cost of assets disposed	\$	91,719	
Accumulated Depreciation		(91,719)	
Basis in assets disposed		-	
Gain on sale of assets		-	5,485

Bond proceeds and capital leases provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bonds payable and capital leases principal is an expenditure in governmental funds but the repayment reduces long-term liabilities in the statement of net position.

Proceeds from Capital Leases			(41,037)
Principal payments - bonds			30,000
Principal payments - capital leases			7,552

Accrued interest on bonds payable and capital leases payable is not accrued in the governmental funds but is accrued in the governmental activities.

Decrease in Accrued Interest Payable			(236)
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When recognizing the sale of capital assets, the governmental funds report the total proceeds of the sale. Only the gain or loss on the sale is reported in the Statement of Net Position.

(5,485)

Change in Net Position of Governmental Activities, Statement B \$ 12,454

See accompanying notes and independent accountant's review report.

Basic Financial Statements

Notes to the Financial Statements

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

Introduction

St. Helena Fire Protection District No. 4, Greensburg, Louisiana was created by ordinance of the St. Helena Parish Police Jury for the purpose of acquiring, maintaining, and operating building, machinery, water tanks, water hydrants, water lines, and any other things necessary to provide proper fire prevention and control of the property within the District. The District operates under the direction of a five-member board appointed by the St. Helena Parish Police Jury.

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a component unit of the St. Helena Parish Police Jury.

1. Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements (GWFS) – As required by the Governmental Accounting Standards Board (GASB), the District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, during the year ended December 31, 2012. GASB Statement No. 63 includes guidance for deferred outflows and deferred inflows of resources, which are distinct from and in addition to the assets and liabilities reported on the GWFS and reports the residual effect as net position, rather than as net assets as previously reported on the GWFS. While the District implemented GASB 63, the District did not have any deferred outflows or deferred inflows of resources at December 31, 2019. The definition and reporting of net position is further described in *Footnote J – Net Position/Fund Balance*.

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Debt Service Fund* is used to account for financial resources set aside to pay interest and principal on long term debt.

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

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

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

When restricted, committed, assigned, or unassigned fund balances are available for use, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds as needed, unless it has been provided for otherwise in the restriction, commitment, or assignment action.

C. Deposits and Investments

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

Investments for the District are reported at fair market value. The District did not hold any investments at December 31, 2019.

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

D. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
General Fund	6.81 mills	6.06 mills	2020
General Fund	22.71 mills	20.20 mills	2021
Debt Service Fund	<u>3.00 mills</u>	<u>3.00 mills</u>	2020
Total	<u>32.52 mills</u>	<u>29.26 mills</u>	

At December 31, 2019, there were no taxpayers whose percentage of total assessed valuation was five percent or more of the total assessed valuation.

E. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. 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.

F. Restricted Assets

For the Debt Service Fund, restricted assets consist of cash resources set aside for repayment of revenue bonds and interest in accordance with applicable bond covenants.

G. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The district maintains a threshold level of \$300 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

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

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings & Improvements	20 - 40 Years
Equipment	5 - 15 Years
Furniture	5 Years
Vehicles	15 Years

H. Compensated Absences

The District adopted the following leave policy effective September 1, 2016:

Vacation Leave: Vacation leave is earned by all permanent full-time employees according to the length of service:

- 1 to 3 years = 40 hours of vacation
- 4 to 10 years = 80 hours of vacation
- 10 or more years = 120 hours of vacation

Vacation leave not taken in the year earned cannot be carried forward. Accordingly, the District has no accumulated compensated absences requiring recognition in accordance with GASB-16, *Accounting for Compensated Absences*.

Sick Leave: Sick leave is earned by all full-time employees at a rate of one day for each month of employment. Sick leave must be used in the same year earned. Also in accordance with GASB-16, no liability has been accrued for unused employee sick leave.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The District has implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, but since current debt issues have no associated bond issuance costs, the implementation of this standard did not require revision in current accounting policies for existing debt. If applicable, bond premiums and discounts continue to be amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Under GASB Statement No. 65, if applicable for any new debt issue, debt issuance costs, other than prepaid insurance costs, should be recognized as an expense in the period incurred. Any prepaid insurance costs of any new debt issuance should be reported as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt.

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

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

J. Net Position/Fund Balance

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 for the government-wide financial statements requires the following components of net position:

- **Net Investment in Capital Assets** – Capital assets including restricted capital assets, when applicable, net of accumulated depreciation reduced by the outstanding balance of any bonds, or indebtedness attributable to the acquisition, construction, or improvement of those assets. Deferred outflow of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt or deferred inflows of resources attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt or deferred inflows of resources should be included in the same net position calculation as unspent proceeds.
- **Restricted Net Position** – Net position with constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

In the fund statements, governmental fund equity is classified as fund balance. The District adopted GASB 54 for the year ended December 31, 2011. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

- **Nonspendable.** These are amounts that can not be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted.** These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed.** These are amounts that can be used only for specific purposes determined by a formal decision of the Board, which is the highest level of decision-making authority for the District. To be reported as committed, amounts cannot be used for any other purposes unless the Board takes the same highest-level action to remove or change the constraint.
- **Assigned.** These are amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes based on the discretion of the Board.

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

- **Unassigned.** These are amounts that have not been assigned to other funds and amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. Also within other governmental funds, these include expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed or assigned for those purposes.

K. Comparative Data/Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

L. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

N. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain 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 certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

O. Pension Plans

The St. Helena Fire Protection District No. 4 is not a member of any retirement system. The District is a member of the Social Security system.

2. Stewardship, Compliance and Accountability

The District's budget procedures are defined in state law, Louisiana Revised Statutes 39:1301-14. The major requirements of the Local Government Budget Act are summarized as follows:

1. The District must adopt a budget each year for the general fund and each special revenue fund, if applicable.
2. The chairman must prepare a proposed budget and submit the proposed budget 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 in each parish in which the District has jurisdiction. The proposed expenditures were less than \$500,000; therefore a public hearing was not required.

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

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 18, 2018.

3. 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 16, 2019.
4. The budget for the General Fund was adopted on a basis consistent with generally accepted accounting principles (GAAP). Accordingly, the Budgetary Comparison Schedule for the General Fund presents actual expenditures in accordance with the accounting principals generally accepted in the United States of America on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

3. Cash and Cash Equivalents

At December 31, 2019, the District has cash and cash equivalents (book balances) as follows:

	December 31,
	2019
Cash on Hand	\$ 200
Interest-Bearing Deposits	24,432
Total	\$ 24,632

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 pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2019, the district has \$24,822 in interest-bearing deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial risk. However, 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.

4. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts are based upon historical trends and the period aging and write-off of accounts receivable. The major receivable balance for the governmental activities includes ad valorem taxes.

In the fund financial statements, the material receivable in governmental funds also includes a revenue accrual for ad valorem taxes. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. However, a total for uncollectible property taxes was recorded based on past experience and the total ad valorem receivable at fiscal year end was recorded

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

net of the uncollectible amount. Interest and investment earnings are recorded only if paid within 60 days since they would be considered both measurable and available.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District during the year and are billed to taxpayers and become due in November. Billed taxes become delinquent on December 31st of each year. Revenues from ad valorem taxes are budgeted in the year billed and are recognized as revenue when billed. The St. Helena Parish Sheriff's Office bills and collects the property taxes using the assessed value determined by the St. Helena Parish Assessor. The taxes are generally collected in December of the current year and January and February of the ensuing year.

For 2019, the District levied 29.52 mills for the general fund and 3.50 mills for debt service for a total tax levy of \$428,382 on total assessed taxable property valued at \$10,242,393. The tax levy was subject to total homestead exceptions of \$90,179 reducing the District's total ad valorem revenues for the current year to \$338,203.

The Governmental Fund receivables at December 31, 2019 consist of the following:

Government Receivables	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Ad Valorem	\$ 302,355	\$ 35,848	\$ 338,203
Federal Grants	5,647	-	5,647
Capital Lease Proceeds	2,590	-	2,590
Less: Allowance for Uncollectible	(6,047)	(717)	(6,764)
Total Government Receivables	<u>\$ 304,545</u>	<u>\$ 35,131</u>	<u>\$ 339,676</u>

5. Interfund Receivables/Payables

As of December 31, 2019, below are the Interfund Receivables or Payables:

Interfund Balances	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 2,341	\$ -
Debt Service Fund	-	2,341
Total Interfund Balances	<u>\$ 2,341</u>	<u>\$ 2,341</u>

These interfund balances are due to an overpayment of ad valorem taxes transferred to the debt service fund.

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2019 for governmental activities is as follows:

Governmental Activities Capital Assets:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 14,318	\$ -	\$ -	\$ 14,318
Total Capital Assets Not Being Depreciated	<u>14,318</u>	<u>-</u>	<u>-</u>	<u>14,318</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	100,695	-	-	100,695
Equipment	324,521	15,449	-	339,970
Furniture and Fixtures	646	-	-	646
Vehicles	337,432	20,761	(91,719)	266,474
Total Capital Assets Being Depreciated	<u>763,294</u>	<u>36,210</u>	<u>(91,719)</u>	<u>707,785</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	41,968	3,071	-	45,039
Equipment	265,563	11,494	-	277,057
Furniture and Fixtures	645	-	-	645
Vehicles	297,540	13,050	(91,719)	218,871
Total Accumulated Depreciation	<u>605,716</u>	<u>27,615</u>	<u>(91,719)</u>	<u>541,612</u>
Total Capital Assets Being Depreciated, Net	<u>157,578</u>	<u>8,595</u>	<u>-</u>	<u>166,173</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 171,896</u>	<u>\$ 8,595</u>	<u>\$ -</u>	<u>\$ 180,491</u>
Depreciation was charged to governmental functions as follows:				
Public Safety Fire Protection				\$ 27,615
				<u>\$ 27,615</u>

Capital asset additions included a vehicle, jaws of life equipment, and various other equipment totaled \$36,210. Depreciation expense for the year ended December 31, 2019 was \$27,615.

7. Accounts and Other Payables

The Governmental Fund payables at December 31, 2019 are as follows:

Governmental Funds Payable	General Fund	Debt Service Fund	Total Governmental Funds
Accounts	\$ 20,567	\$ -	\$ 20,567
Other Accrued Liabilities			
Pension Payable	9,734	1,154	10,888
Payroll Taxes Payable	7,188	-	7,188
Total Government Funds Payable	<u>\$ 37,489</u>	<u>\$ 1,154</u>	<u>\$ 38,643</u>

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

8. Leases and Long-Term Obligations

The following is a summary of long-term obligation transactions for the year ended December 31, 2019:

	<u>Governmental Activities</u>		<u>Total Long-Term Obligations</u>
	<u>Capital Leases</u>	<u>Revenue Bonds</u>	
Beginning Balance	\$ 7,552	\$ 95,000	\$ 102,552
Additions	41,037	-	41,037
Deletions	7,552	30,000	37,552
Ending Balance	<u>\$ 41,037</u>	<u>\$ 65,000</u>	<u>\$ 106,037</u>

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

	<u>Governmental Activities</u>		<u>Total Long-Term Obligations</u>
	<u>Capital Leases</u>	<u>Revenue Bonds</u>	
Current Portion	\$ 13,337	\$ 30,000	\$ 43,337
Long-Term Portion	27,700	35,000	62,700
	<u>\$ 41,037</u>	<u>\$ 65,000</u>	<u>\$ 106,037</u>

Long Term Debt as of December 31, 2019 is as follows:

		<u>Bonds Payable End of Year</u>	<u>Due Within One Year</u>
Governmental	\$ 400,000 General Obligation Bonds, Series 2001 Dated 6/12/2002, due in annual installments of principal and interest between \$10,000 and \$35,000 with interest ranging from 1.95% to 4.25% through 3/1/2021	\$ 65,000	\$ 30,000
Governmental	\$ 40,000 Capital Lease, collateralized by equipment Dated 8/30/2013 due in annual installments of principal and interest of \$7,987 with interest at 5.8% through 6/15/19	-	-
Governmental	\$ 41,037 Capital Lease, collateralized by equipment Dated 9/11/2019 due in annual installments of principal and interest of \$7,882 with interest at 5.389% through 12/19/2024	41,037	13,337
		<u>\$ 106,037</u>	<u>\$ 43,337</u>

The annual requirements to amortize all debt outstanding at December 31, 2019, including interest payments of \$9,112 are as follows:

<u>Year Ending 12/31/19</u>	<u>Capital Lease - \$41,037</u>			<u>General Obligation Bonds - \$400,000</u>			<u>Total</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 13,337	\$ 2,428	\$ 15,765	\$ 30,000	\$ 2,110	\$ 32,110	\$ 43,337	4,538	47,875
2021	6,390	1,493	7,883	35,000	744	35,744	41,390	2,237	43,627
2022	6,734	1,148	7,882	-	-	-	6,734	1,148	7,882
2023	7,097	786	7,883	-	-	-	7,097	786	7,883
2024 to 2028	7,479	403	7,882	-	-	-	7,479	403	7,882
	<u>\$ 41,037</u>	<u>\$ 6,258</u>	<u>\$ 47,295</u>	<u>\$ 65,000</u>	<u>\$ 2,854</u>	<u>\$ 67,854</u>	<u>\$ 106,037</u>	<u>\$ 9,112</u>	<u>\$ 115,149</u>

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

9. Dedication of Proceeds and Flow of Funds – Ad Valorem Tax

Proceeds of a special three mill tax, first levied in 2001, are levied on the dollar of assessed valuation on all property subject to taxation in the District and was dedicated for the purpose of acquiring land, buildings, equipment, and other facilities in the District for fire protection purposes. The District has contacted and made their application with the State Bond Commission to hold a special election originally set for May 9, 2020 for the renewal of the expiring property taxes. However, due to the Covid-19 pandemic, an election date has not been set as of the date of this report.

The District, through its governing authority, adopted a resolution on August 22, 2000, authorizing the issuance of \$400,000 of twenty year General Obligation Bonds, Series 2001, for the purpose of purchasing and acquiring land, buildings, equipment, and other facilities, in the District for fire protection purposes. In that resolution, the proceeds of the ten year special tax were irrevocably and irrepealably pledged and dedicated in an amount sufficient for payment of the general obligation bonds authorized and interest as they become due and for other purposes. The certificate resolution requires that proceeds of the special tax now being levied and collected by the District is to be deposited with the District's fiscal agent bank in a "Sinking Fund" (Debt Service Fund) until such time as there is on deposit in the Sinking Fund sufficient proceeds of the tax to pay all principal and interest falling due on the certificate in the ensuing year. After such time as there has been accumulated in the Sinking Fund the amount described in the preceding sentence, any surplus monies derived from the tax may be used by the District for any of the purposes for which the tax is authorized to be levied. The District shall make available from the Sinking Fund to paying agent at least three days in advance of the date on which each payment of principal and interest on the certificate falls due, funds fully sufficient to pay promptly the principal and interest falling due on such date.

After funds have been set aside out of the revenues of the tax for each tax roll year sufficient to pay the principal and interest on the certificate for the ensuing calendar year, and all required amounts have been deposited in the Sinking Fund, then any excess of annual revenues of the tax remaining for that tax roll year shall be free for expenditures by the District for the purposes for which the tax was authorized by the voters.

As of December 31, 2019, the District was in compliance with the certificate covenants since the amount of cash, plus ad valorem taxes due the District, exceeded the sinking fund requirement.

10. Restricted Fund Balances

At December 31, 2019, the debt service fund recorded a restricted fund balance of \$50,113 to indicate that a portion of the fund equity is legally segregated for specific future use.

11. Risk Management

The District is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The District purchases commercial insurance policies and bonds for any and all claims related to the aforementioned risks. The District's payment of the insurance policy deductible is the only liability associated with these policies and bonds. There has been no significant decrease in insurance coverage from the prior year, and the amount of settlements has not exceeded the insurance coverage for the past three fiscal years.

St. Helena Fire Protection District No. 4
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

12. Contingent Liabilities

At December 31, 2019, the District was not involved in any outstanding litigation or claims.

13. Cooperative Endeavor Agreements

The St. Helena Fire Protection District No. 4 has a cooperative agreement with the St. Helena Parish Police Jury to provide first responder medical emergency services throughout the parish from January 1, 2019 to December 31, 2019. The St. Helena Fire Protection District No. 4 received \$30,000 from the St. Helena Parish Police Jury in return for the services.

14. Subsequent Events

In June 2020, Wayne Jones, President of the Board submitted his resignation effective July 15, 2020.

Subsequent events have been evaluated by management through July 6, 2020, the date the report was available for issuance. No other events were noted that require recording or disclosure in the financial statements for the year ending December 31, 2019.

Required Supplementary Information (Part II)

St. Helena Fire Protection District No. 4
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) to Actual
General Fund
For the year ended December 31, 2019

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance Favorable (Unfavorable)
	Original	Final		
Revenues				
Ad Valorem Taxes	\$ 283,000	\$ 296,308	\$ 303,067	\$ 6,759
Service Fees	30,000	30,000	30,000	-
Intergovernmental				
Federal Grants	-	-	5,647	5,647
Interest	600	600	554	(46)
Miscellaneous	6,400	23,767	23,766	(1)
Total Revenues	320,000	350,675	363,034	12,359
Expenditures				
Public Safety: Fire				
Salaries	131,664	150,024	150,026	(2)
Benefits	25,207	25,636	25,628	8
Payroll Taxes	10,072	11,475	11,477	(2)
Insurance	35,800	35,773	35,773	-
Fuel	39,000	35,500	39,057	(3,557)
Other operating	4,200	8,764	8,604	160
Professional Fees	14,400	14,400	15,207	(807)
Repairs and Maintenance	7,200	7,200	8,621	(1,421)
Supplies	30,000	45,915	49,041	(3,126)
Telephone	5,000	6,000	5,058	942
Utilities	9,000	12,000	10,511	1,489
Capital Outlays	-	38,800	36,210	2,590
Debt Service				
Principal	7,552	7,552	7,552	-
Interest	435	476	476	-
Total Expenditures	319,530	399,515	403,241	(3,726)
Excess Revenues (Expenditures)	470	(48,840)	(40,207)	8,633
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	5,485	5,485	-
Capital Lease Proceeds	-	41,037	41,037	-
Total Other Financing Sources (Uses)	-	46,522	46,522	-
Net Change in Fund Balances	470	(2,318)	6,315	8,633
Fund Balances, Beginning	306,435	276,857	276,857	-
Fund Balances, Ending	\$ 306,905	\$ 274,539	\$ 283,172	\$ 8,633

See independent accountant's review report.

Other Supplementary Information

Schedule 2

**St. Helena Fire Protection District No. 4
 Schedule of Compensation Paid to Board Members
 For the year ended December 31, 2019**

<u>Name and Title / Contact Number</u>	<u>Address</u>	<u>Compensation Received</u>
Wayne Jones, President (225) 222-4723	1403 Highway 37 Greensburg, LA 70441	\$ -
Quanika Muse (225) 222-7431	P.O. Box 13 Greensburg, LA 70441	-
Joey Dier (225) 953-1432	8053 Hwy 37 Greensburg, LA 70441	-
Leslie Reeves (deceased 8/30/2019) (985) 222-6367	10360 Highway 449 Greensburg, LA 70441	-
Rochelle Williams Pattie (985) 514-8226	81 Cudas Lane Greensburg, LA 70441	-
		<u>\$ -</u>

See independent accountant's review report.

Schedule 3

**St. Helena Fire Protection District No. 4
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the year ended December 31, 2019**

Agency Head Name: Wayne Jones, President

<u>Purpose</u>	<u>Amount</u>
Board Member Per Diem	\$ -
	<u>\$ -</u>

See independent accountant's review report.

Schedule of Current Year Findings and Responses
For the year ended December 31, 2019

Reference Number 2019-C1 (Open Meetings Law- Noncompliance)

Criteria: Louisiana Revised Statute 42:20 requires that all public bodies shall keep written minutes of all of their open minutes. The minutes shall include but need not be limited to:

- (1) The date, time, and place of the meeting.
- (2) The members of the public body recorded as either present or absent.
- (3) The substance of all matters decided, and, at the request of any member, a record, by individual member, of any votes taken.
- (4) Any other information that the public body requests be included or reflected in the minutes.
- (5) Minutes should be published in the Parish's Official Journal

Condition:

The District attested they have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28. R.S. 42:20 involves written minutes. The minutes of the District do not accurately and consistently reflect all matters decided as stated within R.S. 42:20A(3). The information contained within the written minutes generally do not provide detailed substance of all matters decided.

Cause:

The Board did not have a member who had the necessary training, experience or time to handle written minutes and was not aware of what was required in the Board meeting minutes.

Effect:

The impact of not providing substantial detailed information within written minutes does not accurately provide information related to what was discussed and approved by the Board. The minutes do not provide written approval on required actions by the Board.

Recommendation:

The Board needs to review the resources available on the Louisiana Legislative Auditor's website regarding Best Practices as it relates to Board Oversight. This will help the District with conducting meetings, monitoring operations, and writing minutes that communicate more effectively information from the meetings. The Board Secretary is responsible for maintaining the minutes. If the Board does not have someone with the training, experience, or time to handle these responsibilities, they should engage someone who does.

Response by Management:

The Board will address this at the next Board Meeting when the Annual Financial Review report is presented and will determine how to take corrective action.

Description of Action Taken: Will be addressed at the next Board meeting.

Anticipated Completion Date: October 31, 2020

Contact Person:

Wayne Jones, President
1403 Highway 37
Greensburg, LA 70441
225-328-4193

Bruce C. Harrell, CPA
Kristi U. Bergeron, CPA
Jessica H. Jones, CPA
Brandy Westcott Garcia, CPA
Charles L. Johnson, CPA

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BRUCE HARRELL
and COMPANY

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Kentwood, LA 70444
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Independent Accountant's Report On Applying Agreed-Upon Procedures

Board of Commissioners
St. Helena Fire Protection District No. 4
8352 Highway 37
Greensburg, Louisiana 70441

We have performed the procedures enumerated below, which were agreed to by St. Helena Fire Protection District No. 4 and the Louisiana Legislative Auditor (the specified parties), on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2019, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$157,700. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (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.

Results: There were no expenditures exceeding thresholds necessitating bid law compliance in 2019.

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).

Results: Management provided us with the required list for three of the four board members. Multiple attempts were made to obtain responses from all members of the board.

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St. Helena Fire Protection District No. 4 Independent Accountant's Report on Applying Agreed-Upon Procedures

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

Results: Management provided us with the required list.

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

Results: None of the 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.

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.

Results: Management provided 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.

Results: Management provided us with a copy of the original budget and all amendments.

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.

Results: We traced the budget and approval of amendments to the minutes.

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).

Results: We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues were not below budgeted amounts by more than five percent and actual expenditures were not above budgeted amounts by more than five percent.

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 the payee in the supporting documentation;

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St. Helena Fire Protection District No. 4 Independent Accountant's Report on Applying Agreed-Upon Procedures

Results: Each of the six selected disbursements agree to the amount and the payee in the supporting documentation except one. One disbursement matched to the payee and amount of documentation; however, the documentation for mileage reimbursement was not dated and mileage reimbursement amount exceeded the IRS business mileage rate of \$0.58 per mile.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account;

Results: Each of the six selected disbursements were properly coded to the correct fund and general ledger account.

(c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

Results: Documentation supporting each of the six selected disbursements did not include the signature or initials of the chairman of the Board of Commissioners or any other authorized signer.

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.

Results: The District properly complied with the requirements of the open meetings law.

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.

Results: We scanned copies of bank deposit slips for the fiscal year. There was new debt in 2019 and it is properly recorded. Approval by the State Bond Commission was not applicable.

Advance

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.

Results: 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.

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St. Helena Fire Protection District No. 4 Independent Accountant's Report on Applying Agreed-Upon Procedures

Results. The District's report was filed timely. An extension request related to Covid-19 was submitted for the year ending December 31, 2019. This request does not result in a late finding; therefore, the report is timely.

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).

Results. The District represented that the agency was in compliance with R.S. 24:513.

Prior-Year Comments

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

Results. Our prior year report, dated June 30, 2020, did not include any suggestions, exceptions, recommendations, or comments.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Bruce Harrell & Company, CPAs
A Professional Accounting Corporation

Kentwood, Louisiana
July 6, 2020

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

5/26/2020

Bruce Harrell & Company, CPAs
P.O. Box 45
909 Avenue G
Kentwood, LA 70444

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2019 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

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

Yes No

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

Yes No

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

Yes No

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

Yes No

Meetings

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

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.
Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.
Yes No

Prior-Year Comments

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

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.
Yes No

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

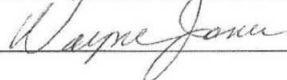
We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.
Yes No

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

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.
Yes No

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.
Yes No

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

 President 5/26/2020 Date