

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

FINANCIAL REPORT

As of SEPTEMBER 30, 2020

THIBODEAUX ACCOUNTING COMPANY
A LIMITED LIABILITY COMPANY
POST OFFICE BOX 34
RAYNE, LOUISIANA 70578

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA
CONTENTS**

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS:	
Statement of Net Position	6
Statement of Activities	7
FUND FINANCIAL STATEMENTS	
Governmental Funds:	
Balance Sheet	9
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Fund Balances	11
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	12
NOTES TO THE FINANCIAL STATEMENTS	13-19
REQUIRED SUPPLEMENTAL INFORMATION	
BUDGETARY COMPARISON SCHEDULE	21
NOTES TO THE BUDGETARY COMPARISON SCHEDULE	22
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	24
COMPLIANCE, INTERNAL CONTROL & OTHER INFORMATION:	
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	26-27
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS	28
SCHEDULE OF CURRENT YEAR FINDINGS & MANAGEMENT'S RESPONSES AND CORRECTIVE ACTION PLAN	29-30

THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners and Management of
Acadia Parish Fire District No. 4
Eunice, Louisiana

We have audited the accompanying financial statements of the governmental activities and major fund of the Acadia Parish Fire District No. 4, a component unit of the Acadia Parish Policy Jury, as of and for the year ended September 30, 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish Fire District No. 4 as of September 30, 2020, and the respective changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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 (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historic context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in United States of America require that the budgetary comparison information on pages 21-22 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head or chief executive officer on page 24, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule of compensation, benefits, and other payments to agency head or chief executive officer is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Acadia Parish
Fire District No. 4

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2021, on our consideration of the Acadia Parish Fire District No. 4's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Thibodeaux Accounting Company
Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 19, 2021

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

STATEMENT OF NET POSITION
September 30, 2020

With Comparative Actual Amounts for Year Ended September 30, 2019

<u>ASSETS</u>	<u>GOVERNMENTAL ACTIVITIES</u>	
	2020	(Memo Only) 2019
Current Assets:		
Cash and cash equivalents	\$ 1,479,554	\$ 1,057,677
Certificates of deposit	22,340	22,178
Other receivables	-	297
Ad valorem receivable	43,007	42,881
Total current assets	\$ 1,544,901	\$ 1,123,033
Noncurrent Assets:		
Capital assets:		
Non-depreciable	\$ 74,102	\$ 74,102
Depreciable, net	705,284	738,330
Total noncurrent assets	\$ 779,386	\$ 812,432
Total Assets	\$ 2,324,287	\$ 1,935,465
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts and other payables	\$ 221,193	\$ 23,820
Total current liabilities	\$ 221,193	\$ 23,820
Total Liabilities	\$ 221,193	\$ 23,820
<u>NET POSITION</u>		
Net investment in capital assets	\$ 779,386	\$ 812,432
Unrestricted	1,323,708	1,099,213
Total Net Position	\$ 2,103,094	\$ 1,911,645
Total liabilities and net position	\$ 2,324,287	\$ 1,935,465

The Accompanying Notes Are An Integral Part of
These Financial Statements

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2020

With Comparative Actual Amounts for Year Ended September 30, 2019

	GOVERNMENTAL ACTIVITIES	
	2020	(Memo Only) 2019
<u>EXPENSES</u>		
General Government:		
Finance and administration	\$ 343,763	\$ 384,980
Depreciation	70,817	80,025
Total Expenses	\$ 414,580	\$ 465,005
 <u>GENERAL REVENUES</u>		
Ad valorem	\$ 585,891	\$ 585,514
Intergovernmental revenue - fire insurance rebate	4,342	5,156
Interest income	1,001	701
Grant income	-	-
Miscellaneous income	-	-
State revenue sharing	14,795	14,544
Total General Revenues	\$ 606,029	\$ 605,915
 Change in Net Position	\$ 191,449	\$ 140,910
 Net Position, Beginning of Year	1,911,645	1,770,735
 Net Position, End of Year	\$ 2,103,094	\$ 1,911,645

The Accompanying Notes Are An Integral Part Of
These Financial Statements

FUND FINANCIAL STATEMENTS (FSS)

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

**BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2020**

With Comparative Actual Amounts for Year Ended September 30, 2019

<u>ASSETS</u>	<u>General Fund</u>	<u>Total (Memorandum Only)</u>	
		<u>2020</u>	<u>2019</u>
Current Assets:			
Cash and cash equivalents	\$ 1,479,554	\$ 1,479,554	\$ 1,057,677
Certificates of deposit	22,339	22,339	22,178
Other Receivables	-	-	297
Ad valorem receivable	<u>43,008</u>	<u>43,008</u>	<u>42,881</u>
 Total Assets	 <u>\$ 1,544,901</u>	 <u>\$ 1,544,901</u>	 <u>\$ 1,123,033</u>
 <u>LIABILITIES & FUND BALANCES</u>			
Current Liabilities:			
Accounts and other payables	<u>\$ 221,193</u>	<u>\$ 221,193</u>	<u>\$ 23,820</u>
Fund Balances:			
Unassigned	<u>1,323,708</u>	<u>1,323,708</u>	<u>1,099,213</u>
 Total Fund Balances	 <u>\$ 1,323,708</u>	 <u>\$ 1,323,708</u>	 <u>\$ 1,099,213</u>
 Total Liabilities and Fund Balances	 <u>\$ 1,544,901</u>	 <u>\$ 1,544,901</u>	 <u>\$ 1,123,033</u>

The Accompanying Notes Are An Integral Part of
These Financial Statements

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2020

	<u>2020</u>
Total fund balance for governmental funds	\$ 1,323,708
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Land	74,102
Buildings and improvements, net of \$80,786 accumulated depreciation	269,945
Machinery and equipment, net of \$838,645 accumulated depreciation	<u>435,339</u>
Total net position of governmental activities	<u><u>\$ 2,103,094</u></u>

The Accompanying Notes Are An Integral Part of
These Financial Statements

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE

For the Year Ended September 30, 2020

With Comparative Actual Amounts for Year Ended September 30, 2019

<u>REVENUES</u>	General Fund	Total (Memorandum Only)	
	2020	2019	
Ad valorem taxes	\$ 585,891	\$ 585,891	\$ 585,515
Insurance rebates	4,342	4,342	5,156
State revenue sharing	14,795	14,795	14,544
Grant income	-	-	-
Miscellaneous income	-	-	-
Interest income	1,001	1,001	701
Total Revenues	\$ 606,029	\$ 606,029	\$ 605,916
<u>EXPENDITURES</u>			
General Government:			
Finance and administration	\$ 343,763	\$ 343,763	\$ 384,981
Capital outlay	37,771	37,771	12,280
Total Expenditures	\$ 381,534	\$ 381,534	\$ 397,261
Excess (deficiency) of revenues over (under) expenditures	\$ 224,495	\$ 224,495	\$ 208,655
Net Change in Fund Balance	\$ 224,495	\$ 224,495	\$ 208,655
Fund Balance, Beginning of Year	1,099,213	1,099,213	890,558
Fund Balance, End of Year	\$ 1,323,708	\$ 1,323,708	\$ 1,099,213

The Accompanying Notes Are An Integral Part Of
These Financial Statements

ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO CHANGE IN NET POSITION FOR THE
STATEMENT OF ACTIVITIES
September 30, 2020

	<u>2020</u>
Net change in fund balance - governmental fund	\$ 224,495
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	37,771
Depreciation expense for the year then ended	<u>(70,817)</u>
Change in net position for statement of activities	<u><u>\$ 191,449</u></u>

The Accompanying Notes Are An Integral Part of
These Financial Statements

ACADIA PARISH FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

Note 1. Summary of Significant Accounting Policies:

(A) Financial Reporting Entity

The Acadia Parish Fire District No. 4 was created as a fire protection district by resolution of the Police Jury of the Parish of Acadia, State of Louisiana on February 14, 1989 to provide fire protection services. The district shall have all the powers of public corporations, including perpetual existence and the right and power to incur debt and contract obligations, to sue and be sued, and to have a corporate seal. The district shall also be authorized to do and perform all acts in its corporate capacity and in its name, necessary or proper for effective fire prevention and control.

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

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

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

Acadia Parish Policy Jury maintains fiscal and budgetary control over the District and must approve any holding of an election or incurring of debt or levy of any taxes or parcel fees by the board.

(B) Basis of Presentation

The accompanying basic financial statements of the Acadia Parish Fire District No. 4 (hereafter referred to as the District) 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.

ACADIA PARISH FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

(C) Fund Accounting

The District uses funds to maintain its financial records and report 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.

Governmental Funds

Governmental funds account for all or most of the District's general activities including the collection and disbursements of specific or legally restrictive monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. 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 which may be used to finance future period programs or operations of the District. The following is a description of the District's governmental fund:

- a. General Fund – the primary operating fund of the District and it accounts for all financial resources, 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.

(D) Measurement Focus, Basis of Accounting and Financial Statement Presentation

Fund Financial Statements

The amounts reflected in the Governmental Funds 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 balances reports on the sources (i.e., revenues and other financial sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to the government-wide view of the District's operations.

The amounts reflected in the Governmental Funds use the modified accrual basis of accounting. Under this basis of accounting, revenues are generally recognized when they both become 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 year end. Ad valorem tax revenue and insurance rebate revenue are recorded when due. Substantially, all other revenues are recorded when received.

ACADIA PARISH FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

Expenditures (including capital outlays) are generally recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due.

Government-Wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the financial activities of the Acadia Parish Fire District No. 4 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 are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem or 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.

(E) Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable government-wide financial statements, capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$500 for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	10 - 40 years
Equipment	5 - 15 years

(F) Fund Balance - Fund Financial Statements –

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

Nonspendable- funds that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted- funds that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed- funds that are constrained by limitations that the government imposes on itself. These amounts are imposed at the highest level of authority. These amounts are binding unless removed in the same manner that it was imposed and any action must be taken prior to year-end.

ACADIA PARISH FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

Assigned- funds whose intended use has been established. These amounts can be, but are not required to be, imposed at the highest level of authority. They do not have to be binding and action does not have to be taken prior to year-end.

Unassigned- all other spendable amounts.

The District considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The District also considers committed fund balances to be spent first when other unrestricted fund balance classification are available for use.

The Board of Commissioners establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives).

(G) Net Position - Government-Wide Statements

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position as follows:

1. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows or resources attributable to the acquisition, constructions, or improvement of those assets and increase by balances of deferred outflows of resources related to those assets.
2. Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the District's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
3. Unrestricted net position – consist of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies restricted resources first, then unrestricted resources as they are needed.

(H) Estimates

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

(I) Encumbrances

Encumbrance accounting is employed as an extension of the formal budgetary process. Under this method, purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Any encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures of liabilities.

ACADIA PARISH FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

There were no encumbrances outstanding at September 30, 2020 as the District does not utilize this method.

Note 2. Cash and Investments

Cash consists of amounts in demand deposit, cash on hand, passbook savings accounts, and interest bearing demand deposit accounts with federally insured financial institutions. 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 September 30, 2020, the carrying amount of the District's deposits totaled \$1,501,894 and the bank balance was \$1,503,522. The deposits were covered by federal depository insurance and pledged securities.

Note 3. Ad Valorem Taxes

Government-wide financial statements-

Ad valorem taxes are recognized in the year for which they are levied, net of uncollectible amounts, as applicable.

Fund financial statements-

Ad valorem taxes are levied by the Acadia Parish Tax Assessor in September or October and are actually billed to the taxpayers in November. Taxes are due by December 31 of that year and are normally collected in December of the current year and in January and February of the ensuing year. Billed taxes attach as an enforceable lien on property and become delinquent on January 1 of each year following the year the taxes are levied. Ad valorem tax revenues are recognized when levied to the extent that they result in current receivables.

The Acadia Parish Sheriff's Department bills and collects property taxes using the assessed values determined by the parish assessor. The Acadia Parish Tax Collector sends the district's share of the property taxes collected directly to the Fire District's Board of Commissioners.

For the year ended September 30, 2020, the 2019 tax rolls of 8.07 mills were levied on property with an assessed valuation totaling \$72,601,069. Total taxes levied were \$585,891.

Note 4. Compensated Absences

The District does not have any full-time employees; therefore, there are no established leave policies.

Note 5. Risk Management

The District is exposed to certain risks of losses such as property damage, liability issues, and other potential losses that may occur. The District minimizes its losses by purchase of commercial insurance. The District's exposure over the amount of insurance is considered to be immaterial.

ACADIA PARISH FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

Note 6. Capital Assets and Depreciation

Capital asset activity for the year ended September 30, 2020 was as follows:

	2020			
	9/30/2019	Additions	Retirements	9/30/2020
Governmental activities:				
Capital assets, not being depreciated-				
Construction in Progress	\$ -	-	-	-
Land	74,102	-	-	74,102
Total capital assets, not being depreciated	\$ 74,102	\$ -	\$ -	\$ 74,102
Governmental activities:				
Capital assets being depreciated				
Buildings and improvements	\$ 345,536	-	-	345,536
Machinery and equipment	1,241,408	37,771	-	1,279,179
Total capital assets being depreciated	\$ 1,586,944	\$ 37,771	\$ -	\$ 1,624,715
Less accumulated depreciation for:				
Buildings and improvements	\$ (67,716)	\$ (13,361)	\$ -	\$ (81,077)
Machinery and equipment	(780,898)	(57,456)	-	(838,354)
Total accumulated depreciation	\$ (848,614)	\$ (70,817)	\$ -	\$ (919,431)
Total capital assets being depreciated, net	\$ 738,330	\$ (33,046)	\$ -	\$ 705,284
Governmental activities capital assets, net	\$ 812,432	\$ (33,046)	\$ -	\$ 779,386

Total depreciation expense for the year ended September 30, 2020 was \$70,817.

ACADIA PARISH FIRE DISTRICT NO. 4
EUNICE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

Note 7. Compensation of Commissioners

A detail of compensation paid to the Board of Commissioners for the year ended September 30, 2020 follows:

Roger Pedigo, President	\$ 1,200
John R. Ruppert, Secretary/Treasurer	1,200
Stephen Miller	1,200
Thomas K. Frey	1,200
Robert Fontenot	1,200
	<hr/>
	\$ 6,000
	<hr/>

Note 8. Litigation

As of September 30, 2020, there was no litigation or claims against the District.

Note 9. Related Party Transactions

There were no related party transactions during the period ended September 30, 2020.

Note 10. Local Service Agreement

A local service agreement between the District and the City of Eunice authorizes the transfer of 3.0 mills out Of 8.07 mills to the City of Eunice to assist in providing fire protection to residents located in the area of the District.

Note 11. Evaluation of Subsequent Events

In January of 2020, the World Health Organization (WHO) announced a global health emergency due to a new strain of coronavirus originating in Wuhan, China, and the risk to the international community as the virus spread globally beyond its point of origination. In March of 2020, the WHO classified the COVID-19 outbreak a pandemic, based on the rapid increase in infection rates globally. As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact financial resources. While the duration of the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time. Subsequent events have been evaluated through March 19, 2021. This date represents the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2020**

With Comparative Actual Amounts for Year Ended September 30, 2019

	2020			Variance Favorable (Unfavorable)	(Memo Only) 2019 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Ad valorem	\$ 550,000	\$ 569,000	\$ 585,891	\$ 16,891	\$ 585,515
Insurance rebate	5,200	4,500	4,342	(158)	5,156
State revenue sharing	14,600	14,800	14,795	(5)	14,544
Grant income	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Interest	725	550	1,001	451	701
Total Revenues	\$ 570,525	\$ 588,850	\$ 606,029	\$ 17,179	\$ 605,916
Expenditures:					
Current-					
General government:					
General government	\$ 382,390	\$ 381,636	\$ 343,763	\$ 37,873	\$ 384,981
Capital outlay	75,000	1,000	37,771	(36,771)	12,280
Total Expenditures	\$ 457,390	\$ 382,636	\$ 381,534	\$ 1,102	\$ 397,261
Excess (deficiency) of revenues over expenditures	\$ 113,135	\$ 206,214	\$ 224,495	\$ 18,281	\$ 208,655
Other sources (uses)					
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Operating transfers out	-	-	-	-	-
Total other sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 113,135	\$ 206,214	\$ 224,495	\$ 18,281	\$ 208,655
Fund Balances - Beginning of year	1,099,213	1,099,213	1,099,213	-	890,558
Fund Balances - End of year	\$ 1,212,348	\$ 1,305,427	\$ 1,323,708	\$ 18,281	\$ 1,099,213

The Accompanying Notes Are An Integral Part of
These Financial Statements

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

NOTES TO THE BUDGETARY COMPARISON SCHEDULE
For the Year Ended September 30, 2020

Note 1. Budgets and Budgetary Accounting

The Acadia Parish Fire District No. 4 uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The President submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. The budget is then legally enacted through adoption by the board.
4. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. The budget is employed as a management control device during the year that assists its users in financial activity analysis.

All budget appropriations lapse at year end. The budgets presented are the originally adopted budget and the final budget made during the year.

OTHER SUPPLEMENTARY INFORMATION

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
For the Year Ended September 30, 2020**

Agency Head Name: Roger Pedigo, President

Purpose	Amount
Salary	\$ 1,200
Benefits-insurance	-
Benefits-retirement	-
Benefits-other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
Other	599
	<u>599</u>
	<u>\$ 1,799</u>

See independent auditor's report.

**COMPLIANCE, INTERNAL CONTROL
& OTHER INFORMATION**

THIBODEAUX ACCOUNTING COMPANY

A LIMITED LIABILITY COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 34 • 801 THE BOULEVARD, SUITE B • RAYNE, LOUISIANA 70578 • (337) 334-7251 FAX (337) 334-7002

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

To the Board of Directors and Management of
Acadia Parish Fire District No. 4
Eunice, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Acadia Parish Fire District No. 4 as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Acadia Parish Fire District No. 4's basic financial statements and have issued our report thereon dated March 19, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Acadia Parish Fire District No. 4's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Acadia Parish Fire District No. 4's internal control. Accordingly, we do not express an opinion on the effectiveness of the Acadia Parish Fire District No. 4's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and corrective action plan at 2020-1 and 2020-2 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Acadia Parish Fire District No. 4's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance that are required to be reported under *Government Auditing Standards* and they are described in the accompanying schedule of findings and correction action plan at 2020-3 and 2020-4.

Acadia Parish Fire District No. 4's Response to Findings

The Acadia Parish Fire District No. 4's response to the findings identified in our audit is described in the accompanying schedule of findings and corrective action plan. Acadia Parish Fire District No. 4's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

This report is intended for the information and use of the Board and management of the Acadia Parish Fire District No. 4, the Acadia Parish Police Jury, and the Legislative Auditor of the State of Louisiana. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Thibodeaux Accounting Company
Thibodeaux Accounting Company
A Limited Liability Company

Rayne, Louisiana
March 19, 2021

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

Schedule of Prior Year Audit Findings
For the Year Ended September 30, 2020

2019-1 The Fire District does not have a person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Recommendation: The District should hire a CPA to prepare the financial statements; however, the District's Board should review and take responsibility for the financial statements, including the related notes, and any adjusting journal entries.

Status: Unresolved.

2019-2 The Fire District does not have an adequate segregation of duties in the administrative office. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion.

Recommendation: None as this condition is common to most agencies of this type with limited resources and is difficult to resolve due to the funding limitations.

Status: Unresolved.

2019-3 The Fire District failed to submit minutes of its board meetings to the official journal in a timely fashion.

Recommendation: The District should educate themselves on Louisiana Revised Statute 43 and comply with it in the future.

Status: Unresolved.

2019-4 A District employee did not take the one hour ethics course as required by Louisiana Revised Statute 42:1170.

Recommendation: The District should educate themselves on Louisiana Revised Statute 42:1170 and comply with it in the future.

Status: Unresolved.

The Accompanying Notes Are An Integral Part Of
These Financial Statements

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

Schedule of Current Year Findings and
Management's Responses and Corrective Action Plan
For the Year Ended September 30, 2020

PART I. SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Auditor's Report

An unmodified opinion has been issued on the basic financial statements of the Acadia Parish Fire District No. 4 as of and for the year ended September 30, 2020.

Internal Control - Financial Reporting

There were two significant deficiencies in internal control on financial reporting that were disclosed during the audit of the financial statements for the period ended September 30, 2020 and are identified as 2020-1 and 2020-2.

Material Noncompliance – Financial Reporting

There were two instances of noncompliance that were disclosed during the audit of the financial statements for the period ended September 30, 2020 and they are identified as 2020-3 and 2020-4.

PART II. FINDING RELATING TO AN AUDIT IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

2020-1 Unqualified Staff to Apply GAAP

Finding: The Fire District does not have a person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Cause: The District's volunteers lack training in implementation of generally accepted accounting principles.

Recommendation: The District should hire a CPA to prepare the financial statements; however, the District's Board should review and take responsibility for the financial statements, including the related notes, and any adjusting journal entries.

Response: Management concurs.

Planned Corrective Action: The Fire District has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation and any adjusting journal entries.

**ACADIA PARISH
FIRE DISTRICT NO. 4
EUNICE, LOUISIANA**

Schedule of Current Year Findings and
Management's Responses and Corrective Action Plan
For the Year Ended September 30, 2020

2020-2 Inadequate Segregation of Duties

Finding: The Fire District has no employees. A board is appointed and maintains all financial records. Due to this fact, the Fire District did not have adequate segregation of duties to provide effective internal control.

Cause: The condition is due to economic and space limitations.

Recommendation: No action is recommended.

Response: Management concurs.

Planned Corrective Action: None as this condition is common to most agencies of this type with limited resources and is difficult to resolve due to the funding limitations.

2020-3 Finding: Failure to submit board minutes to the official journal

Finding: The Fire District failed to submit minutes of its board meetings to the official journal in a timely fashion.

Cause: Louisiana Revised Statute 43 requires public bodies to publish its meeting minutes in its official journal.

Recommendation: The District should educate themselves on this statute and comply with it in the future.

Response: Management concurs.

Planned Corrective Action: The District is aware of this requirement. There is no estimated date of completion.

2020-4 Finding: Ethics Course Violation

Finding: Two district employees did not take the one-hour ethics course as required by Louisiana Revised Statute 42:1170. This statute requires all elected officials and public servants to complete a one-hour ethics course each year.

Cause: The bookkeeper informed all employees about the ethics course requirement but two employees failed to complete the course.

Recommendation: The District should educate themselves on this statute and comply with it in the future.

Response: Management concurs.

Planned Corrective Action: The District will ensure that all employees complete the one-hour ethics course annually. The District estimates this to be resolved by September 30, 2021.