

**MAMOU FIRE PROTECTION  
DISTRICT NO. 1**

Evangeline Parish, Louisiana

Financial Report

Year Ended December 31, 2017

## TABLE OF CONTENTS

	<u>Page No.</u>
Independent Accountant's Review Report	1-2
REQUIRED SUPPLEMENTAL INFORMATION	
Management's Discussion and Analysis	4-6
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of net position	8
Statement of activities	9
FUND FINANCIAL STATEMENTS	
Balance sheet	11
Statement of revenues, expenditures and changes in fund balance - government fund	12
Reconciliation of the governmental fund balance sheet to the government-wide statement of net position	13
Reconciliation of the statement of revenues, expenditures and changes in fund balance of the governmental funds to the statement of activity	14
Notes to financial statements	15-22
ADDITIONAL INFORMATION	
Schedule of Compensation, Benefits and Other Payments to Agency Head	23
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedule - general fund	25
SUPPLEMENTAL INFORMATION	
Independent Accountant's Report on Applying Agreed-upon Procedures	27-29
Schedule of Findings and Planned Corrective Action	30
Schedule of Prior Year Findings	31
Louisiana Attestation Questionnaire	32-33

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(A Corporation of Certified Public Accountants)

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Mr. Larry Bieber, President  
 Mamou Fire Protection District No. 1  
 P.O. Box 38  
 Mamou, Louisiana 70554

We have reviewed the accompanying financial statements of the governmental activities and major fund of Mamou Fire Protection District No. 1 as of and for the year ended December 31, 2017, 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 as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility for the Financial Statements

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

### Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. These 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 of 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.

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### **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 conformity with accounting principles generally accepted in the United States of America.

### **Supplementary Information**

The accompanying schedule of compensation, benefits and other payments to the agency head, political subdivision head, or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the 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 supplementary information and, accordingly, do not express an opinion on such information.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on page 4 through page 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. We have not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

*Dawall, Sikes & Frederick*

A Corporation of Certified Public Accountants

Eunice, Louisiana

June 11, 2018

**REQUIRED SUPPLEMENTAL INFORMATION**

## Management's Discussion and Analysis

As management of the Mamou Fire Protection District No. 1, we provide readers of the District's financial statements this narrative overview and analysis of the financial activities of the District, for the twelve months ended December 31, 2017. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

### Financial Highlights

The financial statements provide these insights into the results operations for the twelve months ended December 31, 2017.

- The District showed a net decrease in overall net position of \$(48,430).
- A significant portion of the District's assets (61%) are invested in capital assets, which accounts for \$1,090,284 of the District's \$1,774,896 total assets.
- Net Capital Assets of the District had additions of \$456,606 which includes land and two tanker trucks and decreased by \$95,266 which is attributable the current year depreciation expense.
- Revenues totaled \$281,617 while operating expenses totaled \$330,047 with salaries and payroll taxes representing 6.6%.

### Using This Financial Report

This report contains a series of financial statements. The statement of net position on page 8 and the statement of activities on page 9 provide information on all activities of the District as a whole. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The accompanying financial statements present information only on the funds maintained by the District.

All of the District's expenses incurred for the provision of fire services are reported in a governmental fund. This fund is reported using the accrual basis of accounting, which measures revenues when earned and expenses when incurred.

### Financial Analysis of the District as a Whole

Our analysis below will focus on key elements of the total funds for the twelve months ended December 31, 2017.

#### Condensed Statement of Net Position

Assets:	
Current assets	\$ 684,612
Capital assets	<u>1,090,284</u>
Total assets	<u>1,774,896</u>

**Condensed Statement of Net Position (continued)**

Liabilities:	
Current liabilities	129,058
Long-term liabilities	<u>214,931</u>
Total liabilities	<u>343,989</u>
Net assets:	
Net investment in capital assets	1,090,284
Unrestricted	<u>340,623</u>
Total net assets	<u>\$ 1,430,907</u>
<b>Change in Net Position</b>	
General revenues	\$ 279,744
Operating expenses	<u>330,047</u>
Operating income	(50,303)
Nonoperating revenues	
Interest income	<u>1,873</u>
Decrease in net position	<u>\$ (48,430)</u>

As of December 31, 2017, the District “as a whole” had assets greater than its liabilities by \$1,430,907.

The District’s unrestricted net position at December 31, 2017 was \$340,623. This is a decrease of \$409,648 from the prior year balance. It is important that the District have unrestricted net position so that we will have resources available to adapt to changes in the economy, emergencies, and unexpected needs.

**Capital Assets**

The District had invested \$2,353,827 capital assets as of December 31, 2017. Capital assets are categorized as follows:

Land	\$ 73,922
Buildings and improvements	240,903
Fire trucks	1,750,787
Equipment	<u>288,215</u>
Total capital assets	<u>\$ 2,353,827</u>

**Additional Information**

Mamou Fire Protection District No. 1 is currently funded through an 8.07 mill 10 year property tax scheduled to expire on December 31, 2024.

**Requests for Information**

This financial report is designed to provide a general overview of the Mamou Fire Protection District No. 1 finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Larry Bieber, Chairman, Mamou Fire Protection District No. 1, and P.O. Box 38, Mamou, LA 70554.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Statement of Net Position  
December 31, 2017

ASSETS

Current assets:	
Cash	\$ 457,691
Prepaid expense	5,603
Ad valorem taxes receivables	<u>221,318</u>
Total current assets	<u>684,612</u>
Capital assets:	
Land	73,922
Buildings and improvements	240,903
Fire trucks	1,750,787
Equipment	<u>288,215</u>
	2,353,827
Less: Accumulated depreciation	<u>(1,263,543)</u>
Total capital assets, net of accumulated depreciation	<u>1,090,284</u>
Total assets	<u>1,774,896</u>

LIABILITIES

Current liabilities:	
Payroll liabilities	3,989
Current maturites of long-term debt	<u>116,125</u>
Total current liabilites	<u>120,114</u>
Long-Term liabilities:	
Notes Payable	<u>223,875</u>
Total long-term liabilites	<u>223,875</u>

NET POSITION

Net Investment in capital assets	1,090,284
Unrestricted	<u>340,623</u>
Total net position	<u>\$ 1,430,907</u>

See accompanying notes and independent accountant's review report.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Statement of Activities  
Year Ended December 31, 2017

Functions/Programs	Expenses	Program Revenues		Net Revenues (Expenses)
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
General government	\$ 330,047	\$ -	\$ -	\$ (330,047)
Interest on long-term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>\$ 330,047</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(330,047)</u>

**General Revenues**

Ad valorem taxes	220,227
State revenue sharing	24,275
Insurance rebate	35,103
Miscellaneous	139
Interest earnings	<u>1,873</u>
Total general revenues	<u>281,617</u>
Change in net assets	(48,430)
Net position, beginning	<u>1,479,337</u>
Net position, ending	<u>\$ 1,430,907</u>

See accompanying notes and independent accountant's review report.

**FUND FINANCIAL STATEMENTS**

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Balance Sheet  
Governmental Funds  
December 31, 2017

ASSETS

Current assets:	
Cash	\$ 457,692
Prepaid expense	5,603
Receivables	<u>221,318</u>
Total assets	<u>\$ 684,613</u>

LIABILITIES AND FUND BALANCE

Payroll liabilities	<u>\$ 3,989</u>
Total liabilities	<u>3,989</u>
Fund Balance:	
Nonspendable	5,603
Unassigned	<u>675,021</u>
	<u>680,624</u>
Total liabilities and fund balance	<u>\$ 684,613</u>

See accompanying notes and independent accountant's review report.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
Year Ended December 31, 2017

Operating revenues:	
Taxes	\$ 220,227
State	24,275
Insurance rebate	35,103
Miscellaneous	<u>139</u>
Total operating revenues	<u>279,744</u>
Operating expenditures:	
Current Operating -	
Communications equipment	5,790
Contract labor	22,250
Equipment rental	1,692
Fire equipment	9,883
Fireman training	2,307
Fuel	2,896
Insurance	39,306
Legal ads	4,628
Legal and accounting	9,415
Miscellaneous	8,448
Office expense	3,487
Payroll taxes	3,738
Per diem paid board members	2,370
Salaries and wages	18,000
Supplies	2,958
Repairs and maintenance	57,490
Utilities/telephone	14,725
Volunteer Firemen reimbursement	25,275
Capital outlay	<u>456,606</u>
Total operating expenses	<u>691,264</u>
	(411,520)
Nonoperating revenues:	
Interest	<u>1,873</u>
	<u>1,873</u>
Other Financing Sources:	
Proceeds from debt	<u>340,000</u>
Total other financing sources	<u>340,000</u>
Change in fund balance	(69,647)
Fund balance, beginning	<u>750,271</u>
Fund balance, ending	<u>\$ 680,624</u>

See accompanying notes and independent accountant's review report.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Government-Wide Statement of Net Position  
December 31, 2017

Total Fund Balances - Total Governmental Funds	\$ 680,624
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet	1,090,283
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet	<u>(340,000)</u>
Total Net Position - Governmental Activities	<u>\$1,430,907</u>

See accompanying notes and independent accountant's review report.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Reconciliation of the Statement of Revenues,  
Expenditures and Change in Fund Balance  
of the Governmental Funds to the Statement of Activities  
Year Ended December 31, 2017

Net Changes in Fund Balances - Total Governmental Funds	\$ (69,647)
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.	361,217
Proceeds from the issuance of debt including capital lease obligations, is an other financing source in the governmental funds. However, in the Statement of Activities, the issues of debt increases long-term liabilities	<u>(340,000)</u>
Change in Net Position - Governmental Activities	<u>\$ (48,430)</u>

See accompanying notes and independent accountant's review report.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Legal Organization

Mamou Fire Protection District No. 1 of Evangeline Parish was created by the Evangeline Parish Police Jury, as authorized by Louisiana Revised Statutes 40:1491-1493. The Fire District is governed by a five member board of commissioners appointed by the Evangeline Parish Police Jury. The fire district is authorized to construct, maintain, and improve the system of fire protection within the district.

Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the activities of the government. Both the government-wide and fund financial statements categorize primary activities as governmental.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Taxes and items not properly included among program revenues are reported as *general revenues*.

Measurement Focus, Basis of Accounting, and Financial Statements 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 the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Fund Accounting

The Fire District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The financial statements of the Mamou Fire Protection District No. 1 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's policies are described below.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All major revenues are susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due.

Budget And Budgetary Accounting

The Fire District adopts a budget for the General Fund during December of the year preceding the year budgeted.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not employed by the Fire District.

Investments

Under state law the District may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost. Donated assets are recorded at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	20 – 40 years
Fire Trucks	15 years
Equipment	7 – 30 years

Fund financial statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

All long-term debt to be repaid from governmental resources is reported as liabilities in the governmental-wide statements. The long-term debt consists primarily of bonds payable, equipment notes payable, certificates of indebtedness, paving certificates, and estimated claims payable.

Long-Term Debt

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures.

Use of Estimates

The preparation of the financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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 differ from those estimates.

Equity classifications

Government-wide statements -

Equity is classified as net assets and displayed in three components:

- a. Net Invested in capital assets – consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by the outstanding balances of any bonds, certificates of indebtedness, paving certificates, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund financial statements –

Governmental fund equity is classified as fund balance in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures as being nonspendable as this item is not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of resources are either:
  - Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments: or
  - Imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Mamou Fire Protection District No. 1’s District, which is the District’s highest level of decision-making authority. These amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed resources as of year-end.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent should be expressed by the District's (1) Board, (2) its finance committee, or (3) an official to which the District has delegated the authority to assign amounts to be used for a specific purpose.
- **Unassigned:** This classification is the residual fund balance for the General Fund. It also represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

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

Change in Accounting Principle

Management adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflow of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 introduced and defined deferred outflows and deferred inflows of resources as consumption and an acquisition, respectively, of net assets by the government that is applicable to a future reporting period. The District has no deferred inflows or outflows.

Subsequent Events

Management has evaluated subsequent events through June 11, 2018, the date the financial statements were available to be issued.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are stated at cost, which approximates market.

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state laws, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2017, the District has cash and interest-bearing deposits (book balances) totaling \$457,691.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS (Continued)

These deposits are stated at cost, which approximates market. Under state laws, the 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 bank. 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. Deposit balances (bank balances) at December 31, 2017, are as follows:

	Jeff Davis Bank
Bank balances	\$ 470,877
Federal deposit insurance	\$ 250,000
Pledged securities (Category 3)	500,000
Total	\$ 750,000

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 RETIREMENT SYSTEM

The employees of the district are covered by social security.

NOTE 4 AD VALOREM TAXES

Taxes are levied by the District in October and are actually billed by the Evangeline Parish Sheriff's Department in November. Billed taxes become delinquent on December 31. The Sheriff's Department sends out past due notices in early February. In May, the Sheriff advertises a sale on all property for which taxes have not been paid and the Sheriff's sale is held during June.

For the year ended December 31, 2017, taxes of 8.07 mills were levied on property and were dedicated for Fire Protection.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 5 CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended December 31, 2017, are as follows:

	Balance 1/1/2017	Additions	Deletions	Balance 12/31/2017
Governmental activities				
Land	\$ 63,922	\$ 10,000	\$ -	\$ 73,922
Buildings and improvements	240,903	-	-	240,903
Fire trucks	1,304,181	446,606	-	1,750,787
Equipment	<u>288,215</u>	<u>-</u>	<u>-</u>	<u>288,215</u>
Total	<u>1,897,221</u>	<u>456,606</u>	<u>-</u>	<u>2,353,827</u>
Less accumulated depreciation	<u>1,168,155</u>	<u>95,388</u>	<u>-</u>	<u>1,263,543</u>
Governmental activities				
Capital assets, net	<u>\$ 729,066</u>	<u>\$ 361,218</u>	<u>\$ -</u>	<u>\$ 1,090,284</u>

Depreciation expense of \$95,388 was charged to governmental activities.

NOTE 6 LONG-TERM DEBT

The Fire District purchased two new Ferrara 4,000 gallon tanker trucks for \$223,303 each. The first note is \$170,000 @ 2.759%\* payable in two annual installments. The second note is \$170,000 at 2.759% with five annual installments. Both note payments are due on March 10 of each year. Principal and interest payments to maturity are as follows:

Year	Principal	Interest
2018	\$ 116,125	\$ 8,944
2019	119,113	5,956
2020	33,975	2,891
2021	34,912	1,953
2022	35,875	989
	<u>\$ 340,000</u>	<u>\$ 20,733</u>

NOTE 7 DESCRIPTION OF LEASING ARRANGEMENT

The Fire District entered into a prepaid lease agreement for a rescue truck in the amount of \$25,345. The lease will be amortized over fifteen years. Rent expense for the year ended December 31, 2017 totaled \$1,692.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Notes to Financial Statements

NOTE 7 DESCRIPTION OF LEASING ARRANGEMENT (continued)

The following provides, by year, the future minimum rentals under the lease as of December 31, 2017.

<u>Year Ended</u>	<u>Amount</u>
2018	1,692
2019	1,692
2020	1,692
2021	529
	<u>\$ 5,605</u>

NOTE 8 PER DIEM PAID BOARD MEMBERS

The following is a summary of per diem paid to Board members for the year ended December 31, 2017:

Greg Monier	\$ 420
Mike Fontenot	450
Randy Young	480
Tiqua Manuel	510
Total	<u>\$ 1,860</u>

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head  
Year Ended December 31, 2017

Chairman: Larry R. Bieber

Board per diem \$510

**REQUIRED SUPPLEMENTARY INFORMATION**

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Budgetary Comparison Schedule  
General Fund  
Year December 31, 2017

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operating revenues:				
Taxes	\$ 230,000	\$ 240,000	\$ 220,227	\$ (19,773)
State	24,000	24,000	24,275	275
Insurance rebate	38,000	37,000	35,103	(1,897)
Miscellaneous	4,500	2,200	139	(2,061)
Total operating revenues	<u>296,500</u>	<u>303,200</u>	<u>279,744</u>	<u>(23,456)</u>
Operating expenditures:				
Current Operating -				
Communications equipment	15,000	7,300	5,790	1,510
Fire equipment	35,000	118,000	116,606	1,394
Fireman training	2,000	2,300	2,307	(7)
Fuel	7,000	2,250	2,896	(646)
Insurance	38,000	41,500	39,306	2,194
Legal ads	3,000	1,200	4,628	(3,428)
Legal and accounting	5,000	8,300	9,415	(1,115)
Miscellaneous	10,200	17,700	20,023	(2,323)
Office expense	1,100	950	3,487	(2,537)
Payroll taxes	5,500	6,800	3,738	3,062
Per diem paid board members	2,000	2,200	2,370	(170)
Salaries and wages	38,500	39,000	40,250	(1,250)
Supplies	9,000	7,200	2,958	4,242
Repairs and maintenance	60,000	55,200	57,490	(2,290)
Utilities/telephone	16,000	14,600	14,725	(125)
Volunteer Firemen reimbursement	27,500	25,500	25,275	225
Total operating expenses	<u>274,800</u>	<u>350,000</u>	<u>351,264</u>	<u>(1,264)</u>
Operating income	21,700	(46,800)	(71,520)	(24,720)
Nonoperating revenues:				
Interest	<u>1,500</u>	<u>4,000</u>	<u>1,873</u>	<u>(2,127)</u>
Change in fund balance	23,200	(42,800)	(69,647)	\$ (26,847)
Fund balance, beginning	<u>750,271</u>	<u>750,271</u>	<u>750,271</u>	
Fund balance, ending	<u>\$ 773,471</u>	<u>\$ 707,471</u>	<u>\$ 680,624</u>	

See independent accountant's review report.

**SUPPLEMENTAL INFORMATION**

E. Larry Sikes, CPA/PFS, CVA\*, CFP®  
 Danny P. Frederick, CPA  
 Clayton E. Darnall, CPA, CVA  
 Eugene H. Darnall, III, CPA  
 Stephanie M. Higginbotham, CPA  
 John P. Armato, CPA/PFS  
 Jennifer S. Ziegler, CPA/PFS, CFP®  
 Chris A. Miller, CPA, CVA  
 Steven G. Moosa, CPA  
 M. Rebecca Gardes, CPA  
 Joan B. Moody, CPA  
 Lauren V. Hebert, CPA/PFS  
 Erich G. Loewer, III, CPA, M.S. Tax  
 Jeremy C. Meaux, CPA  
 Stephen R. Dischler, CPA, MBA  
 Pamela Mayeux Bonin, CPA, CVA  
 Craig C. Babineaux, CPA/PFS, CFP®  
 Adam J. Curry, CPA, CFP®  
 Kyle P. Saltzman, CPA, CFE  
 Jacob C. Roberie, CPA

Kevin S. Young, CPA  
 Christy S. Dew, CPA, MPA  
 Rachel W. Ashford, CPA  
 Veronica L. LeBleu, CPA, MBA  
 Christine Guidry Berwick, CPA, MBA  
 Brandon L. Porter, CPA  
 Brandon R. Dunphy, CPA  
 Robert C. Darnall, CPA, CVA, M.S.  
 Benjamin J. Baudoin, CPA

\* (Emeritus)



**Darnall, Sikes  
& Frederick**

(A Corporation of Certified Public Accountants)

## Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Commissioners  
 Mamou Fire Protection District No. 1  
 Mamou, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Mamou Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Mamou Fire Protection District No. 1's compliance with certain laws and regulations during the year ended December 31, 2017 included in the *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Public Bid Law

- Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There was two purchases of materials and supplies exceeding \$30,000 and no public works purchases exceeding \$150,000. The purchases of two 4,000 gallon tanker trucks for \$276,606 were in compliance with public bid laws.

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

- Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

2000 Kaliste Saloom  
 Suite 300  
 Lafayette, LA 70508  
 Phone: 337.232.3312  
 Fax: 337.237.3614

1231 E. Laurel Avenue  
 Eunice, LA 70535  
 Phone: 337.457.4146  
 Fax: 337.457.5060

1201 Brashear Avenue  
 Suite 301  
 Morgan City, LA 70380  
 Phone: 985.384.6264  
 Fax: 985.384.8140

203 S. Jefferson Street  
 Abbeville, LA 70510  
 Phone: 337.893.5470  
 Fax: 337.893.5470

A Member of:  
 American Institute of  
 Certified Public Accountants  
 Society of Louisiana  
 Certified Public Accountants

[www.dsfcpas.com](http://www.dsfcpas.com)

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

Management provided us with required list.

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

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) appeared on the list of immediate family members provided by management in agreed-upon procedure (2).

#### Budgeting

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

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

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original and amended budgets to the minutes of a meeting which indicated that the budgets had been adopted.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures fall below budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did fall below budgeted revenues by 5% or more. Actual expenditures did not exceed budgeted expenditures by 5%.

#### Accounting and Reporting

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

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

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

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

All of the payments were properly coded to the correct fund and general ledger account.

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

Inspection of documentation supporting each of the six selected disbursements indicated approval.

Meetings

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

A notice of each meeting and the accompanying agenda is posted on the door of the meeting place. Minutes of Meeting are printed in the local newspaper as evidenced by invoices.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

We inspected copies of bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

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

A reading of the minutes of the district for the year indicated no approval for any such payments. We also inspected payroll records for the year and note no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

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

This report is intended solely for the use of management of Mamou Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, and is not intended to be and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Dannall, Sikes & Frederick*

A Corporation of Certified Public Accountants

Eunice, Louisiana

June 11, 2018

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Schedule of Findings and  
Planned Corrective Action  
Year Ended December 31, 2017

2017-001 Inadequate Segregation of Duties

Criteria: Effective internal controls require adequate segregation of duties to allow for prevention and detection of errors and possible misappropriation of funds.

Condition: Due to the limited number of personnel, one individual is responsible for all the key functions of the Fire District.

Effect: A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Finding: Due to the small number of personnel, the Fire District did not have adequate segregation of duties within the accounting department.

Recommendation: Based on the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

MAMOU FIRE PROTECTION DISTRICT NO. 1  
Evangeline Parish, Louisiana

Schedule of Prior Year Findings  
Year Ended December 31, 2017

2016-1     Inadequate Segregation of Duties

This issue is unresolved. See current year finding 2017-001.

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

5-4-18 (Date Transmitted)

Darnall, Sikes, Gardes & Frederick  
1231 East Laurel  
Eunice, LA 70535  
\_\_\_\_\_  
(Auditors)

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

These representations are based on the information available to us as of (date of completion/representations).

**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 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 [ ]

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

We have provided you with any communications from regulatory agencies 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 this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

<u><i>Lisa Marshall</i></u>	Secretary	<u>5-4-18</u>	Date
_____	Treasurer	_____	Date
<u><i>Fery Balm</i></u>	President	<u>5-4-18</u>	Date