

**West Baton Rouge Parish Fire Protection District No. 1  
A Component Unit of the  
West Baton Rouge Parish Council  
Port Allen, Louisiana  
Financial Report  
December 31, 2021**

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## **Independent Auditor's Report**

To the Fire Chief and Board of Commissioners of  
West Baton Rouge Parish Fire Protection District No. 1  
Port Allen, Louisiana

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of West Baton Rouge Parish Fire Protection District No. 1, a component unit of West Baton Rouge Parish Council, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise West Baton Rouge Parish Fire Protection District No. 1's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of West Baton Rouge Parish Fire Protection District No. 1, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Baton Rouge Parish Fire Protection District No. 1, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about West Baton Rouge Parish Fire Protection District No. 1's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 West Baton Rouge Parish Fire Protection District No. 1's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about West Baton Rouge Parish Fire Protection District No. 1's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the schedule of changes in total OPEB liability and related ratios, schedule of proportionate share of net pension liability, schedule of contributions, and statement of revenue, expenditures and change in fund balance budget and actual (non-GAAP budgetary basis) – general fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. 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.

Management has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements are not affected by this missing information.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise West Baton Rouge Parish Fire Protection District No. 1’s basic financial statements. The schedule of compensation, benefits, and other payments to agency head or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 basic financial statements or to the basic 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 to agency head or chief executive officer is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2022, on our consideration of West Baton Rouge Parish Fire Protection District No. 1’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 solely 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 effectiveness of West Baton Rouge Parish Fire Protection District No. 1’s 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 West Baton Rouge Parish Fire Protection District No. 1’s internal control over financial reporting and compliance.

*Hawthorn, Waymouth & Carroll, L.L.P.*

June 21, 2022

**West Baton Rouge Parish Fire Protection District No. 1**  
**Statement of Net Position**  
**December 31, 2021**

	<u><b>Governmental Activities</b></u>
<b>Assets</b>	
Cash and cash equivalents	\$ 3,320,805
Taxes receivable	324,529
Prepaid insurance	208,097
Restricted cash and cash equivalents	85,408
Capital assets	
Non-depreciable	396,301
Depreciable, net	<u>4,448,195</u>
Total assets	<u>8,783,335</u>
<b>Deferred Outflows of Resources</b>	
Resources related to net pension liability	517,056
Resources related to other postemployment benefit liability	<u>1,160,744</u>
Total deferred outflows of resources	<u>1,677,800</u>
<b>Liabilities</b>	
Accounts payable	28,722
Accrued liabilities	57,761
Non-current liabilities	
Due within one year	97,000
Due in more than one year	<u>5,939,860</u>
Total liabilities	<u>6,123,343</u>
<b>Deferred Inflows of Resources</b>	
Resources related to net pension liability	1,310,590
Resources related to other postemployment benefit liability	<u>382,065</u>
Total deferred inflows of resources	<u>1,692,655</u>
<b>Net Position</b>	
Net investment in capital assets	2,735,496
Restricted for:	
Debt service	54,652
Unrestricted (deficit)	<u>(145,011)</u>
Total net position	<u>\$ 2,645,137</u>

The accompanying notes are an integral part of these financial statements.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Statement of Activities**  
**Year Ended December 31, 2021**

	<b>Program Revenue</b>		<b>Net (Expense)</b>
<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Revenue and Change in Net Position</b>
<b>Function/Program</b>			
Governmental activities			
Public safety	\$ 3,699,865	\$ -	\$ -
Interest and fiscal charges on long-term debt	75,713	-	-
Total governmental activities	\$ 3,775,578	\$ -	\$ -
<b>General Revenue</b>			
Taxes - sales and use			4,142,957
Fire insurance premium			106,371
Interest			17,507
Miscellaneous			57,577
Total general revenue			4,324,412
<b>Change in net position</b>			548,834
<b>Net Position</b>			
Beginning of year			2,096,303
End of year			\$ 2,645,137

The accompanying notes are an integral part of these financial statements.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2021**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 3,320,805	\$ -	\$ 3,320,805
Taxes receivable	324,529	-	324,529
Prepaid insurance	208,097	-	208,097
Restricted cash and cash equivalents	<u>-</u>	<u>85,408</u>	<u>85,408</u>
 Total assets	 <u>\$ 3,853,431</u>	 <u>\$ 85,408</u>	 <u>\$ 3,938,839</u>
<b>Liabilities</b>			
Accounts payable	\$ 28,722	\$ -	\$ 28,722
Accrued liabilities	<u>27,005</u>	<u>30,756</u>	<u>57,761</u>
 Total liabilities	 <u>55,727</u>	 <u>30,756</u>	 <u>86,483</u>
<b>Fund Balances</b>			
Nonspendable	208,097	-	208,097
Restricted	-	54,652	54,652
Unassigned	<u>3,589,607</u>	<u>-</u>	<u>3,589,607</u>
 Total fund balances	 <u>3,797,704</u>	 <u>54,652</u>	 <u>3,852,356</u>
 Total liabilities and fund balances	 <u>\$ 3,853,431</u>	 <u>\$ 85,408</u>	 <u>\$ 3,938,839</u>

The accompanying notes are an integral part of these financial statements.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**December 31, 2021**

Total fund balances - governmental funds \$ 3,852,356

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:

Governmental capital assets	\$ 14,671,815	
Less accumulated depreciation	(9,827,319)	4,844,496

Certain long-term assets and deferred outflows of resources are not available resources and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to net pension liability	517,056	
Deferred outflows of resources related to other postemployment benefit liability	1,160,744	1,677,800

Long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Bonds payable	(2,109,000)	
Net pension liability	(1,468,289)	
Other postemployment benefit liability	(2,459,571)	
Deferred inflows of resources related to net pension liability	(1,310,590)	
Deferred inflows of resources related to other postemployment benefit liability	(382,065)	(7,729,515)

Total net position - governmental activities \$ 2,645,137

The accompanying notes are an integral part of these financial statements.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Statement of Revenue, Expenditures and Changes in Fund Balances –**  
**Governmental Funds**  
**Year Ended December 31, 2021**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Total</b>
<b>Revenue</b>			
Taxes - sales and use	\$ 4,142,957	\$ -	\$ 4,142,957
Fire insurance premium	106,371	-	106,371
Interest	17,507	-	17,507
Miscellaneous	57,577	-	57,577
Total revenue	4,324,412	-	4,324,412
<b>Expenditures</b>			
Current			
Public safety	3,066,952	-	3,066,952
Capital outlay	34,768	-	34,768
Debt service			
Principal	-	93,000	93,000
Interest and other charges	-	75,713	75,713
Total expenditures	3,101,720	168,713	3,270,433
<b>Excess (Deficiency) of Revenue over (under) Expenditures</b>	1,222,692	(168,713)	1,053,979
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	-	170,070	170,070
Operating transfers out	(170,070)	-	(170,070)
Total other financing sources (uses)	(170,070)	170,070	-
<b>Net Change in Fund Balances</b>	1,052,622	1,357	1,053,979
<b>Fund Balances</b>			
Beginning of year	2,745,082	53,295	2,798,377
End of year	\$ 3,797,704	\$ 54,652	\$ 3,852,356

The accompanying notes are an integral part of these financial statements.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Reconciliation of the Statement of Revenue, Expenditures and Changes**  
**in Fund Balances of Governmental Funds to the Statement of Activities**  
**Year Ended December 31, 2021**

Net change in fund balances - governmental funds \$ 1,053,979

Amounts reported for governmental activities in the statement of activities 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 and reported as depreciation expense:

Capital outlay	\$ 34,768	
Depreciation expense	(362,748)	(327,980)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in:		
Net pension liability	1,509,995	
Other postemployment benefit liability	(467,797)	
Deferred outflows of resources related to net pension liability	(585,160)	
Deferred outflows of resources related to other postemployment benefit liability	241,840	
Deferred inflows of resources related to net pension liability	(843,497)	
Deferred inflows of resources related to other postemployment benefit liability	(125,546)	
Bonds payable	93,000	(177,165)

Change in net position - governmental activities \$ 548,834

The accompanying notes are an integral part of these financial statements.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 1-Summary of Significant Accounting Policies**

West Baton Rouge Parish Fire Protection District No. 1 (“the Fire District”) was created by the West Baton Rouge Parish Council (“the Council”), as provided by Louisiana Revised Statute (R.S.) 40:1503. The Fire District is a separate government body that is governed by a board that consists of the current sitting members of the Council. The Fire District comprises all of West Baton Rouge Parish and maintains five fire stations. The Fire District serves approximately 26,500 residents of West Baton Rouge Parish.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, establishes criteria for determining the financial reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Fire District is considered a component unit of the Council.

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

B. Basis of Presentation

The Fire District’s basic financial statements consist of the government-wide statements and the fund financial statements (individual major funds). These statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by GASB.

*GOVERNMENT-WIDE FINANCIAL STATEMENTS*

The government-wide financial statements consist of the statement of net position and the statement of activities to report information on all of the financial activities of the Fire District. The effects of interfund activity have been removed from these statements. These statements include all the financial activities of the Fire District. The Fire District has no business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Fire District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*FUND FINANCIAL STATEMENTS*

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

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 1-Summary of Significant Accounting Policies (Continued)**

B. Basis of Presentation (Continued)

*FUND FINANCIAL STATEMENTS* (Continued)

The various funds of the Fire District are all classified as governmental. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Fire District or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

*Governmental Funds*

General Fund – The General Fund is the Fire District's primary operating fund, and it accounts for all financial resources of the Fire District, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Fire District's policy. This fund is considered to be a major fund.

Debt Service Fund – The Debt Service Fund is to record monies for payment of the Revenue Refunding Bonds, Series 2016.

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds.” While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in the governmental activities are eliminated so that only the net amount is included in the governmental activities’ column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities’ column.

C. Basis of Accounting/Measurement Focus

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

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 1-Summary of Significant Accounting Policies (Continued)**

C. Basis of Accounting/Measurement Focus (Continued)

All governmental funds are accounted for using a current financial resources measurement focus. Generally, with this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Most governmental miscellaneous revenues are recorded as earned since they are measurable and available. The Fire District defines "available" as expected to be received within sixty days of the end of the fiscal year.

Non-exchange transactions, in which the Fire District receives value without directly giving value in return, include sales tax, grants, and donations. Sales taxes are considered "measurable" when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions in revenue when they are measurable and valid. Revenue from grants and donations are recognized in the fiscal year in which all the eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

If measurable, expenditures are recognized in the accounting period in which the related fund liability is incurred except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) claims and judgments, group health claims, arbitrage payable, net pension obligation and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable, available financial resources. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

D. Cash and Cash Equivalents

Cash and interest-bearing deposits are stated at cost, which approximates market. Cash and cash equivalents are considered to be cash on hand, demand deposits, and certificates of deposit purchased with an original maturity of three months or less, and any certificates of deposit that do not contain material early withdrawal penalties.

E. Restricted Cash

The debt service fund is legally restricted as to purpose. These assets have been classified as restricted cash and cash equivalents on the Statement of Net Position since the use of these funds is limited by the applicable bond resolution.

F. Receivables and Payables

Receivables consist of all revenues earned at year end and not yet received. Payables consist of all expenses/expenditures incurred at year end and not yet paid.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 1-Summary of Significant Accounting Policies (Continued)**

G. Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated cost if historical cost is not available. Contributed assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives: Buildings and improvements (40 years) and Equipment (5-10 years).

H. Compensated Absences

Firemen of the Fire District are entitled to full pay during sickness or incapacity not brought about by their own negligence or culpable indiscretion for a period not to exceed fifty-two weeks. Sick leave is not paid upon termination. With respect to vacation, firemen, after having served one year, shall be entitled to an annual vacation of eighteen days with full pay. This vacation period shall be increased one day for each year of service over ten years, up to a maximum vacation period of thirty days, all of which shall be with full pay. The unrecorded liability for accumulated vacation leave was \$22,025 as of December 31, 2021, which is not material to the financial statements.

I. Net Position

Net position represents the difference between assets plus deferred outflows of resources, less liabilities, less deferred inflows of resources. *Net investment in capital assets* consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvement of those assets. Net position is reported as *restricted* when there are limitations imposed on its use by external parties such as creditors, grantors, or laws or regulations of other governments.

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

J. Fund Balance

The following fund balance classifications describe the relative strength of spending constraints placed on the purposes for which resources can be used:

- *Nonspendable* – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- *Restricted* – includes amounts restricted by external sources (creditors, laws of other governments, bondholders, etc.) or by constitutional provisions or enabling legislation.
- *Committed* – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to directives of the Fire District's Board who has the highest level of decision-making authority. Commitments may be modified or rescinded only through actions of the Fire District's Board.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 1-Summary of Significant Accounting Policies (Continued)**

J. Fund Balance (Continued)

- *Assigned* – includes amounts that the Fire District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Fire District may assign amounts to this classification.
- *Unassigned* – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The Fire District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Fire District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Fire District has provided otherwise in its commitment or assignment actions.

The Fire District establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. This is done through adoption and amendments of the budget. A fund balance commitment is further documented in the budget document as a designation or commitment of the fund (such as special incentives). Assigned fund balance is established by the Fire District through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

K. Deferred Outflows/Inflows of Resources

The statement of net position will often report a separate section for deferred outflows and/or deferred inflows of financial resources. *Deferred outflows* of resources represent a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. *Deferred inflows* of resources represent an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

L. Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide financial statements. 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.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. The estimates affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenditures in the government-wide financial statements during the reporting period. Actual results could differ from those estimates.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 2-Cash and Cash Equivalents**

Deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

For deposits, custodial credit risk is the risk that, in the event of the failure of the counter-party, the Fire District will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. At December 31, 2021, the Fire District's bank balances were fully insured and collateralized with securities held in the name of the Fire District by the pledging financial institution's agent and, therefore, not exposed to custodial credit risk.

**Note 3-Capital Assets**

Capital asset activity for the year ended December 31, 2021 was as follows:

	<b>Balance December 31, 2020</b>	<b>Additions</b>	<b>Adjustments and Deletions</b>	<b>Balance December 31, 2021</b>
Capital assets not being depreciated:				
Land	\$ 396,301	\$ -	\$ -	\$ 396,301
Capital assets being depreciated:				
Buildings and improvements	4,740,682	-	-	4,740,682
Equipment	9,500,064	34,768	-	9,534,832
Total capital assets being depreciated	14,240,746	34,768	-	14,275,514
Less accumulated depreciation for:				
Buildings and improvements	(1,795,784)	(121,004)	-	(1,916,788)
Equipment	(7,668,787)	(241,744)	-	(7,910,531)
Total accumulated depreciation	(9,464,571)	(362,748)	-	(9,827,319)
Total capital assets being depreciated, net	4,776,175	(327,980)	-	4,448,195
Capital assets, net	\$ 5,172,476	\$ (327,980)	\$ -	\$ 4,844,496

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 4-Pension Plan**

Plan Description

The Firefighters' Retirement System ("the System") is the administrator of a cost-sharing, multiple-employer plan. Members in the System consist of full-time firefighters, eligible employees of the System, or any person in a position as defined in the municipal fire and police civil service system that earns at least \$375 per month, excluding supplemental pay, and is employed by a fire department of any municipality, parish, or fire district of the state of Louisiana, except for Orleans Parish and the City of Baton Rouge. The System provides retirement benefits for its members. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 434 of 1979 and amended by R.S. 11:2251-2272. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any person who becomes an employee as defined in R.S. 11:2252 on and after January 1, 1980 shall become a member as a condition of employment.

No person who has attained age fifty or over shall become a member of the System, unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit for the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

*Deferred Retirement Option Plan*

After completing 20 years of creditable service and reaching age 50, or 25 years of creditable service at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No payments may be made from the deferred retirement option plan account until the participant retires.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 4-Pension Plan** (Continued)

Plan Description (Continued)

*Initial Benefit Option Plan*

Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as a DROP account.

Funding Policy

*Contributions*

Employer contributions are actuarially determined each year. For the year ended June 30, 2021, employer and employee contribution rates for members above the poverty line were 32.25% and 10.00%, respectively. The employer and employee contribution rates for those members below the poverty line were 34.25% and 8.00%, respectively.

*Non-employer contributions*

The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions were recognized as revenue during the year ended June 30, 2021, and were excluded from pension expense.

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the Fire District reported a liability of \$1,468,289 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2021, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The allocation method used in determining each employer's proportion was based on each employer's contributions to the System during the year ended June 30, 2021, as compared to the total of all combined contributions to the System during the fiscal year ended June 30, 2021. At the June 30, 2021 measurement date, the Fire District's proportion was 0.414%, which was a decrease of 0.016% from its proportion measured at the June 30, 2020 measurement date. For the year ended December 31, 2021, the Fire District recognized pension expense of \$271,009.

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**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 4-Pension Plan** (Continued)

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At December 31, 2021, the Fire District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 20,954	\$ 131,856
Changes in assumptions	318,168	-
Net difference between projected and actual earnings on pension plan investments	-	891,043
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	287,691
Contributions subsequent to measurement date	177,934	-
	<b>\$ 517,056</b>	<b>\$ 1,310,590</b>

The Fire District reported a total of \$177,934 as deferred outflows of resources related to pensions resulting from the Fire District's contributions subsequent to the measurement date. This amount will be recognized as a reduction of the Net Pension Liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows for the years ending December 31:

2022	\$	(202,586)
2023		(208,845)
2024		(247,895)
2025		(305,144)
2026		(14,959)
Thereafter		7,961
	<b>\$</b>	<b>(971,468)</b>

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**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 4-Pension Plan** (Continued)

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 is as follows for the System:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry age normal cost
Actuarial Assumptions:	
Expected Remaining Service Lives	7 years, closed period
Investment Rate of Return	6.90% per annum (net of investment expenses, including inflation)
Inflation Rate	2.50% per annum
Employee Mortality	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 105% for males and 115% for females, with full generational projection using the appropriate MP-2019 scale.
Annuitant and Beneficiary Mortality	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 105% for males and 115% for females, with full generational projection using the appropriate MP-2019 scale.
Disabled Annuitant Mortality	Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees with full generational projection using the appropriate MP-2019 scale.
Salary Increases	Vary from 14.10% in the first two years of service to 5.20% with 3 or more years of service; includes inflation and merit increases.
Cost of Living Adjustments	Only those previously granted.

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2014 through June 30, 2019. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities.

The estimated long-term expected rate of return on pension plan investments was determined using the target asset allocation and the G.S. Curran & Company Consultant Average Study for 2021. The consultants' average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from a number of investment consultants and investment management firms. Using the target asset allocation and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. The long-term assumed rate of inflation of 2.50% was used in this process.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 4-Pension Plan** (Continued)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2021 are summarized in the following table:

	<u>Asset Type</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	U.S. Equity	27.50%	5.86%
	Non-U.S. Equity	11.50%	6.44%
	Global Equity	10.00%	6.40%
	Emerging Market Equity	7.00%	8.64%
Fixed Income	U.S. Core Fixed Income	18.00%	0.97%
	U.S. TIPS	3.00%	0.40%
	Emerging Market Debt	5.00%	2.75%
Alternatives	Private Equity	9.00%	9.53%
	Real Estate	6.00%	5.31%
	Real Assets	3.00%	***
Multi-Asset Strategies	Global Tactical Asset Allocation	0.00%	4.17%
	Risk Parity	<u>0.00%</u>	4.17%
		<u>100.00%</u>	

\*\*\*Subsequent to the actuary's calculation of the long term expected real rate of return in January 2021, the System's board voted to amend the target asset allocation. These changes include an increase to target weight in public equity, a decrease to target weight in fixed income, and the inclusion of a target weight in private real assets. These changes are reflected in the target asset allocation above.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates, and that contributions from participating employers and non-employer contributing entities will be made at the actuarially-determined rates approved by the System's Board of Trustees and by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the System's actuary. Based on these assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 4-Pension Plan (Continued)**

Sensitivity of Employer’s Proportionate Share of Net Pension Liability to Changes in Discount Rate

The following presents the Fire District’s proportionate share of the Net Pension Liability using the discount rate of 6.90%, as well as what the employer’s proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate:

	<b>Changes in Discount Rate</b>		
	<b>1% Decrease <u>(5.90%)</u></b>	<b>Current Discount Rate <u>(6.90%)</u></b>	<b>1% Increase <u>(7.90%)</u></b>
Fire District’s proportionate share of net pension liability	\$ <u>2,816,804</u>	\$ <u>1,468,289</u>	\$ <u>343,642</u>

Pension Plan Fiduciary Net Position

The System issued a stand-alone audit report on its financial statements for the year ended June 30, 2021. Access to the audit report can be found on the System’s website: [www.ffret.com](http://www.ffret.com) or on the Office of the Louisiana Legislative Auditor’s official website: [www.la.la.gov](http://www.la.la.gov).

**Note 5-Other Postemployment Benefit Plan (OPEB)**

Plan Description

The Fire District is part of the Council’s OPEB plan, which is a single-employer defined benefit plan administered by the Council. The OPEB plan does not issue a stand-alone financial report. All classified employees of the Fire District, at their option, participate in the employees’ group life and health insurance programs. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Benefits Provided

The Fire District currently offers a HDHP and a PPO plan to all full-time employees, as well as to retired and retirement-eligible employees. All retirees age 65 and older that have Part A and Part B of Medicare must go on the Humana 65 Plan.

Additionally, a Health Savings Account (HSA) is also offered to all participants in the HDHP. The Fire District pays 100% of the premiums for all full-time employees, retirees, and retirement-eligible employees.

The Fire District also contributes to the participants that utilize the HSA as follows:

Family	\$800 annually
Two-party	\$800 annually
Single	\$400 annually

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 5-Other Postemployment Benefit Plan (OPEB) (Continued)**

Benefits Provided (Continued)

The Fire District pays 50% of the premium for life insurance policies for all full-time and retired employees who choose to participate. Eligible retirees are provided a basic life insurance benefit with a policy amount of \$25,000. The amount decreases to \$5,000 at age 65, then to \$1,000 after age 70.

Employees Covered by Benefit Terms

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	5
Active employees	17
	22
	22

Funding Policy

Currently, the employees and retirees do not contribute to the premiums for health insurance. This is established after the yearly quotes have been awarded and addressed in the annual operating budget and may be amended in subsequent years. For 2021, the plan was funded by the Fire District which paid 100% of the health insurance premiums and 50% of the life insurance premiums. Additionally, the Fire District contributes to the HSA of all HDHP participants based on the schedule shown above. The employer contribution to the OPEB plan for 2021 totaled \$110,096, or approximately 7.32% of gross payroll. The only contributions required by the retirees were their 50% match on the life insurance.

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Fire District's total OPEB liability of \$2,459,571 was measured and determined by an actuarial valuation as of December 31, 2021. At the December 31, 2021 measurement date, the Fire District's proportion was 8.78%, which was an increase of 0.66% from the proportion at the December 31, 2020 measurement date. For the year ended December 31, 2021, the Fire District recognized OPEB expense of \$351,503.

At December 31, 2021, the Fire District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 370,672	\$ 19,492
Changes in assumptions	790,072	110,456
Changes in proportion	-	252,117
	\$ 1,160,744	\$ 382,065

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 5-Other Postemployment Benefit Plan (OPEB) (Continued)**

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows for the years ending December 31:

2022	\$	150,240
2023		150,240
2024		150,240
2025		150,240
2026		147,166
Thereafter		<u>30,553</u>
	\$	<u>778,679</u>

Actuarial Methods and Assumptions

A summary of the actuarial methods and assumptions used in determining the total OPEB liability as of December 31, 2021 is as follows:

Valuation Date	December 31, 2021
Actuarial Method	Individual Entry Age Normal Cost – Level Percentage of Projected Salary
Actuarial Assumptions:	
Inflation Rate	2.50%
Salary Increase Rate	3.50%
Discount Rate	2.06% based on the recently published Bond Buyer GO-20 bond index
Health Care Cost Trend	Level 4.50%
Mortality	RPH-2014 Total Table with Projection MP-2021

The Plan assumes that 100% of all employees and their dependents who are eligible for retiree benefits participate in the postemployment benefit plan.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 5-Other Postemployment Benefit Plan (OPEB) (Continued)**

Sensitivity Analysis of the Total OPEB Liability to Changes in the Current Healthcare Cost Trend Rate

The following presents the Fire District's proportionate share of the total OPEB liability using the healthcare cost trend rate of 4.50%, as well as what the Fire District's proportionate share of the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (3.50%) or one percentage point higher (5.50%) than the current rate:

	<b>Changes in Healthcare Cost Trend Rate</b>		
	<b>1% Decrease (3.50%)</b>	<b>Current Healthcare Cost Trend Rate (4.50%)</b>	<b>1% Increase (5.50%)</b>
Fire District's proportionate share of total OPEB liability	<u>\$ 2,048,069</u>	<u>\$ 2,459,571</u>	<u>\$ 3,010,032</u>

Sensitivity Analysis of the Total OPEB Liability to Changes in the Discount Rate

The following presents the Fire District's proportionate share of the total OPEB liability using the discount rate of 2.06%, as well as what the Fire District's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.06%) or one percentage point higher (3.06%) than the current rate:

	<b>Changes in Discount Rate</b>		
	<b>1% Decrease (1.06%)</b>	<b>Current Discount Rate (2.06%)</b>	<b>1% Increase (3.06%)</b>
Fire District's proportionate share of total OPEB liability	<u>\$ 2,914,471</u>	<u>\$ 2,459,571</u>	<u>\$ 2,100,160</u>

**Note 6-Non-Current Liabilities**

A. Changes in Non-Current Liabilities

	<b>Balance, December 31, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance, December 31, 2021</b>	<b>Due Within One Year</b>
Governmental Activities					
Bonds payable	\$ 2,202,000	\$ -	\$ (93,000)	\$ 2,109,000	\$ 97,000
Net pension liability	2,978,284	-	(1,509,995)	1,468,289	-
OPEB liability	1,991,774	577,893	(110,096)	2,459,571	-
Total non-current liabilities	<u>\$ 7,172,058</u>	<u>\$ 577,893</u>	<u>\$ (1,713,091)</u>	<u>\$ 6,036,860</u>	<u>\$ 97,000</u>

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 6-Non-Current Liabilities (Continued)**

B. Bonds Payable

Bonds payable at December 31, 2021 are comprised of the following:

\$2,410,000 Revenue Refunding Bonds (Series 2016) due in annual installments of \$100,000 to \$170,000 through February 2038. Interest is payable semiannually at 3.50%. The bonds are secured and payable from sales tax revenue.

\$ 2,109,000

The following is a summary of principal and interest requirements:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u> <u>Payments</u>	<u>Interest</u> <u>Payments</u>	<u>Total</u>
2022	\$ 97,000	\$ 73,815	\$ 170,815
2023	100,000	70,420	170,420
2024	103,000	66,920	169,920
2025	107,000	63,315	170,315
2026	111,000	59,570	170,570
2027 - 2031	616,000	236,775	852,775
2032 - 2036	730,000	121,275	851,275
2037 - 2038	<u>245,000</u>	<u>11,480</u>	<u>256,480</u>
	<u>\$ 2,109,000</u>	<u>\$ 703,570</u>	<u>\$ 2,812,570</u>

**Note 7-Risk Management**

The Fire District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Fire District has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior period. No settlements were made during the year ended December 31, 2021 that exceeded the Fire District's coverage.

**Note 8-Compensation Paid to the Board**

There was no compensation paid to the board during the year ended December 31, 2021.

**Note 9-New Accounting Pronouncements to Be Implemented**

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. This standard will require all leases to be reported on the statement of net position under a single accounting model for both lessors and lessees. This statement will require the recognition of lease assets or liabilities for leases previously reported as operating leases. Both operating and capital leases will be reported under this single accounting method and reported by lessees as an intangible right to use asset and by lessors as a receivable with both reporting a deferred inflow of resources. As amended, the provisions of this standard are effective for financial reporting periods beginning after June 15, 2021. The Fire District's lease agreements will need to be evaluated to determine the impact of implementing this standard; however, the effect of this standard or its applicability to the Fire District are unknown at this time.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 10-Subsequent Events**

The Fire District evaluated all subsequent events through June 21, 2022, the date the financial statements were available to be issued. As a result, the Fire District noted no subsequent events that required adjustment to, or disclosure in, these financial statements.

**Required Supplementary Information**

**West Baton Rouge Parish Fire Protection District No. 1**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**Years Ended December 31, 2021, 2020, 2019, and 2018\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 84,606	\$ 89,073	\$ 67,590	\$ 64,928
Interest	42,852	58,658	35,182	32,786
Difference between expected and actual experience	421,985	(25,841)	239	-
Change of assumptions	28,450	(146,435)	1,225,991	-
Benefit payments	<u>(110,096)</u>	<u>(70,794)</u>	<u>(64,808)</u>	<u>(19,059)</u>
<b>Net Change in Total OPEB Liability</b>	467,797	(95,339)	1,264,194	78,655
Total OPEB Liability - Beginning	<u>1,991,774</u>	<u>2,087,113</u>	<u>822,919</u>	<u>744,264</u>
Total OPEB Liability - Ending	<u>\$ 2,459,571</u>	<u>\$ 1,991,774</u>	<u>\$ 2,087,113</u>	<u>\$ 822,919</u>
Covered payroll	\$ 1,072,510	\$ 1,060,026	\$ 1,142,409	\$ 1,049,955

\*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Years Ended December 31, 2021, 2020, 2019, 2018, 2017, 2016, and 2015\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of net pension liability	0.414%	0.430%	0.466%	0.476%	0.481%	0.492%	0.494%
Proportionate share of net pension liability	\$ 1,468,289	\$ 2,978,284	\$ 2,920,848	\$ 2,740,727	\$ 2,758,384	\$ 3,219,126	\$ 2,664,884
Covered payroll	\$ 1,072,510	\$ 1,060,026	\$ 1,142,409	\$ 1,049,955	\$ 1,142,371	\$ 1,036,487	\$ 1,546,314
Proportionate share of net pension liability as a percentage of covered payroll	136.90%	280.96%	255.67%	261.03%	241.46%	310.58%	172.34%
Plan fiduciary net position as a percentage of total pension liability	86.78%	72.61%	73.96%	74.76%	73.55%	68.16%	72.45%

\*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Schedule of Contributions**  
**Years Ended December 31, 2021, 2020, 2019, 2018, 2017, 2016, and 2015\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 352,347	\$ 318,643	\$ 310,720	\$ 310,910	\$ 295,388	\$ 296,881	\$ 452,297
Contributions in relation to statutorily required contributions	\$ 352,347	\$ 318,643	\$ 310,720	\$ 310,910	\$ 295,388	\$ 296,881	\$ 452,297
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,072,510	\$ 1,060,026	\$ 1,142,409	\$ 1,049,955	\$ 1,142,371	\$ 1,036,487	\$ 1,546,314
Contributions as a percentage of covered payroll	32.85%	30.06%	27.20%	29.61%	25.86%	28.64%	29.25%

\*This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Statement of Revenue, Expenditures and Change in Fund Balance**  
**Budget and Actual (Non-GAAP Budgetary Basis) – General Fund**  
**Year Ended December 31, 2021**

	Budgeted Amounts		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenue</b>				
Taxes - sales and use	\$ 3,400,000	\$ 3,400,000	\$ 4,088,525	\$ 688,525
Fire insurance premium	106,000	106,000	106,371	371
Interest	30,000	30,000	19,462	(10,538)
Miscellaneous	<u>120,000</u>	<u>120,000</u>	<u>57,577</u>	<u>(62,423)</u>
Total revenue	<u>3,656,000</u>	<u>3,656,000</u>	<u>4,271,935</u>	<u>615,935</u>
<b>Expenditures</b>				
Current				
Public safety	3,340,433	3,340,433	3,092,787	247,646
Capital outlay	<u>116,000</u>	<u>116,000</u>	<u>41,008</u>	<u>74,992</u>
Total expenditures	<u>3,456,433</u>	<u>3,456,433</u>	<u>3,133,795</u>	<u>322,638</u>
<b>Excess of Revenue over Expenditures</b>	<u>199,567</u>	<u>199,567</u>	<u>1,138,140</u>	<u>938,573</u>
<b>Other Financing Uses</b>				
Operating transfers out	<u>(170,070)</u>	<u>(170,070)</u>	<u>(170,070)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	29,497	29,497	968,070	938,573
<b>Fund Balance</b>				
Beginning of year	<u>2,490,687</u>	<u>2,490,687</u>	<u>2,490,687</u>	<u>-</u>
End of year	<u>\$ 2,520,184</u>	<u>\$ 2,520,184</u>	<u>\$ 3,458,757</u>	<u>\$ 938,573</u>

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Required Supplementary Information**  
**December 31, 2021**

*Notes to the schedule of changes in total OPEB liability and related ratios:*

**Note 1-Changes of Benefit Terms**

There were no changes of benefit terms for the year ended December 31, 2021.

**Note 2-Changes of Assumptions**

As of the December 31, 2021 measurement date, the mortality assumption for this valuation was updated using the RPH-2014 total table with Projection MP-2021. The healthcare cost trend rate remained at 4.50% and the discount rate decreased from 2.12% to 2.06% since the previous valuation.

*Notes to the schedules of proportionate share of net pension liability and the schedule of contributions:*

**Note 3-Changes of Benefit Terms**

There were no changes of benefit terms for the year ended December 31, 2021.

**Note 4-Changes of Assumptions**

The Firefighters' Retirement System's discount rate decreased from 7.00% to 6.90% since the previous valuation.

*Notes to the budgetary comparison schedule:*

**Note 5-Budget and Budgetary Accounting**

The Fire District follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to November 1, the Fire Chief submits to the Fire District a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to January 1, the budget is legally enacted by an ordinance.
- Any revisions to alter the total expenditures of any fund must be approved by the Fire District.
- Formal budgetary integration is employed as a management control device during the year for the General Fund. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is achieved through general obligation bond indenture provisions.
- The appropriated budget for the General Fund is adopted on the cash basis. Budgetary comparisons presented in this report compare the adopted budget with actual data on the budgetary (cash) basis.
- All budgetary appropriations lapse at the end of each fiscal year.
- Budgeted amounts are shown as originally adopted or amended by the Fire District. Each year the budgetary information for comparisons includes the amended budget.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Notes to Required Supplementary Information**  
**December 31, 2021**

**Note 6-Budgetary-GAAP Reporting Reconciliation**

Budgetary comparisons presented in this report are on the budgetary basis. Certain adjustments are necessary to compare actual data on a GAAP basis versus budget basis. Adjustments reconciling the excess of revenues over expenditures and other financing uses at year end on the GAAP basis to the budgetary basis are as follows:

	<b>General Fund</b>
Net change in fund balance (Budgetary Basis)	\$ 968,070
Adjustments-to adjust for accruals	<u>85,909</u>
Net change in fund balance (GAAP basis)	<u>\$ 1,053,979</u>

**Supplementary Information**

**West Baton Rouge Parish Fire Protection District No. 1  
Schedule of Compensation, Benefits, and Other  
Payments to Agency Head or Chief Executive Officer  
Year Ended December 31, 2021**

**Agency Head Name: Tim Crockett, Fire Chief  
January 1, 2021 through August 12, 2021**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 38,489
Benefits - insurance	9,388
Benefits - retirement	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	6
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-

**Agency Head Name: Charles Stephens, Interim Fire Chief  
July 26, 2021 through December 31, 2021**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 63,390
Benefits - insurance	4,205
Benefits - retirement	15,516
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	6
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-



**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 Fire Chief and Board of Commissioners of  
West Baton Rouge Parish Fire Protection District No. 1  
Port Allen, 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 and each major fund of West Baton Rouge Parish Fire Protection District No. 1, a component unit of West Baton Rouge Parish Council, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise West Baton Rouge Parish Fire Protection District No. 1's basic financial statements, and have issued our report thereon dated June 21, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered West Baton Rouge Parish Fire Protection District No. 1's internal control over financial reporting (internal control) as a basis for designing 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 West Baton Rouge Parish Fire Protection District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of West Baton Rouge Parish Fire Protection District No. 1'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 a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether West Baton Rouge Parish Fire Protection District No. 1's financial statements are free from 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 financial statements. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **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.

*Hawthorn, Waymouth & Carroll, L.L.P.*

June 21, 2022

**West Baton Rouge Parish Fire Protection District No. 1**  
**Schedule of Findings and Responses**  
**Year Ended December 31, 2021**

Part I. Summary of Auditor's Results

- 1) An unmodified opinion has been expressed on the financial statements of the governmental activities and each major fund of West Baton Rouge Parish Fire Protection District No. 1 as of and for the year ended December 31, 2021, and the related notes to the financial statements.
- 2) No deficiencies in internal control over financial reporting that we consider to be material weaknesses were identified.
- 3) No instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* were identified.
- 4) A single audit in accordance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* was not required.
- 5) A management letter was not issued.

Part II. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

No findings were noted.

**West Baton Rouge Parish Fire Protection District No. 1**  
**Summary Schedule of Prior Year Findings**  
**Year Ended December 31, 2021**

Part I. Findings Related to an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

No findings were noted.

Part II. Management Letter

A management letter was not issued for the year ended December 31, 2020.

**West Baton Rouge Parish Fire Protection District No. 1**

**Statewide Agreed-Upon Procedures Report**

**December 31, 2021**



**Independent Accountant's Report  
on Applying Statewide Agreed-upon Procedures**

To the Board of Directors of West Baton Rouge Parish Fire Protection District No. 1 and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 01, 2021 through December 31, 2021. West Baton Rouge Parish Fire Protection District No. 1's management is responsible for those C/C areas identified in the SAUPs.

West Baton Rouge Parish Fire Protection District No. 1 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 01, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows. The procedures are stated first, followed by the results of the procedures presented in italics.

***Written Policies and Procedures***

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1. Obtained and inspected the entity's written policies and procedures and observed whether they addressed each of the following categories and subcategories if applicable to public funds and the entity's operations:

a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

*No exceptions were found as a result of this procedure.*

b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

*No exceptions were found as a result of this procedure.*

c) ***Disbursements***, including processing, reviewing, and approving.

*No exceptions were found as a result of this procedure.*

d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine completeness of all collections for each type of revenue or agency fund additions.

*No exceptions were found as a result of this procedure.*

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked; and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

*No exceptions were found as a result of this procedure.*

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

*No exceptions were found as a result of this procedure.*

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage.

*No exceptions were found as a result of this procedure.*

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

*No exceptions were found as a result of this procedure.*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

*The entity's written policies and procedures on ethics do not specifically address (3) system to monitor possible ethics violations.*

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*No exceptions were found as a result of this procedure.*

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*The entity's written policies and procedures for Information Technology Disaster Recovery/Business Continuity do not specifically address (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.*

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

*No exceptions were found as a result of this procedure.*

### ***Board or Finance Committee***

---

2. Obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

*No exceptions were found as a result of this procedure.*

- b) For those entities reporting on the governmental accounting model, observed whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

*The Fire Commissioners' meetings did not reference or include monthly budget-to-actual comparisons on the general fund in three out of the four times they met during the fiscal period.*

- c) For governmental entities, obtained the prior year audit report and observed the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

*No exceptions were found as a result of this procedure.*

### ***Bank Reconciliations***

---

3. Obtained a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Asked management to identify the entity's main operating account. Selected the entity's main operating account and randomly selected four additional accounts (or all accounts if less than 5). Randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for each selected account, and observed that:

- a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date.

*No exceptions were found as a result of this procedure.*

- b) Bank reconciliations included evidence that a member of management/board member who did not handle cash, post ledgers, or issue checks had reviewed each bank reconciliation; and

*No exceptions were found as a result of this procedure.*

- c) Management had documentation reflecting it had researched reconciling items that have been outstanding for more than 12 months from the statement closing date, is applicable.

*For one account there was reconciling items outstanding for more than twelve months from the statement closing date with no documentation reflecting research on the reconciling items.*

***Collections (excluding electronic funds transfers)***

---

4. Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) were prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites (or all deposit sites if less than 5).

*No exceptions were found as a result of this procedure.*

5. For each deposit site selected, obtained a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site, obtained and inspected written policies and procedures relating to employee job duties at each collection location, and observed that job duties were properly segregated at each collection location such that:

- a) Employees responsible for cash collections did not share cash drawers/registers.

*No exceptions were found as a result of this procedure.*

- b) Each employee responsible for collecting cash was not responsible for preparing/making bank deposits, unless another employee/official was responsible for reconciling collection documentation to the deposit.

*No exceptions were found as a result of this procedure.*

- c) Each employee responsible for collecting cash was not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official was responsible for reconciling ledger postings to each other and to the deposit.

*No exceptions were found as a result of this procedure.*

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, were not responsible for collecting cash, unless another employee/official verified the reconciliation.

*No exceptions were found as a result of this procedure.*

6. Obtained from management a copy of the bond or insurance policy for theft covering all employees who had access to cash. Observed the bond or insurance policy for theft was enforced during the fiscal period.

*No exceptions were found as a result of this procedure.*

7. Randomly selected two deposit dates for each of the bank accounts selected for procedure #3 under "Bank Reconciliations" above. Obtained supporting documentation for each of the deposits, and:

- a) Observed that receipts are sequentially pre-numbered.

*No exceptions were found as a result of this procedure.*

- b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

*No exceptions were found as a result of this procedure.*

- c) Traced the deposit slip total to the actual deposit per the bank statement.

*No exceptions were found as a result of this procedure.*

- d) Observed the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

*No exceptions were found as a result of this procedure.*

- e) Traced the actual deposit per the bank statement to the general ledger.

*No exceptions were found as a result of this procedure.*

**Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)**

- 8. Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly selected 5 locations (or all locations if less than 5).

*No exceptions were found as a result of this procedure.*

- 9. For each location selected under #8 above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties and observed that job duties were properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

*No exceptions were found as a result of this procedure.*

- b) At least two employees are involved in processing and approving payments to vendors.

*No exceptions were found as a result of this procedure.*

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

*No exceptions were found as a result of this procedure.*

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who was not responsible for processing payments.

*No exceptions were found as a result of this procedure.*

- 10. For each location selected under #8 above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population was complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction, and:

- a) Observed whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

*No exceptions were found as a result of this procedure.*

- b) Observed whether the disbursement documentation included evidence of segregation of duties tested under #9, as applicable.

*No exceptions were found as a result of this procedure.*

***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

---

- 11. Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.

*No exceptions were found as a result of this procedure.*

- 12. Using the listing prepared by management, randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly selected one monthly statement or combined statement for each card, obtained supporting documentation, and:

- a) Observed whether there was evidence that the monthly statement or combined statement and supporting documentation were reviewed and approved, in writing (or electronically approved), by someone other than the authorized cardholder.

*For three of the five credit card statements selected, there was no evidence that supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.*

- b) Observed that finance charges and late fees were not assessed on the selected statements.

*No exceptions were found as a result of this procedure.*

- 13. Used the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions. For each transaction, observed it is supported by (1) an original itemized receipt that identified precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

*For one of the five cards selected, three transactions were not supported by written documentation of the business/public purpose.*

***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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*These procedures are not applicable to the entity.*

- 14. Obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger was complete. Randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, observed the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
- b) If reimbursed using actual costs, observed the reimbursement is supported by an original itemized receipt that identified precisely what was purchased.

- c) Observed each reimbursement is supported by documentation of the business/public purpose and other documentation required by written policy (procedure #1h).
- d) Observed each reimbursement is reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**Contracts**

---

- 15. Obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtained management's representation that the listing is complete. Randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) Observed whether the contract was bid in accordance with the Louisiana Public Bid Law, if required by law.  
*No exceptions were found as a result of this procedure.*
  - b) Observed whether the contract was approved by the governing body/board, if required by policy or law.  
*No exceptions were found as a result of this procedure.*
  - c) If the contract was amended, observed the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms.  
*No exceptions were found as a result of this procedure.*
  - d) Randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed the invoice and related payment agreed to the terms and conditions of the contract.  
*No exceptions were found as a result of this procedure.*

**Payroll and Personnel**

---

- 16. Obtained a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.  
*No exceptions were found as a result of this procedure.*
- 17. Randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtained attendance records and leave documentation for the pay period, and:
  - a) Observed all selected employees or officials documented their daily attendance and leave.  
*No exceptions were found as a result of this procedure.*
  - b) Observed whether supervisors approved the attendance and leave of the selected employees or officials.  
*No exceptions were found as a result of this procedure.*

- c) Observed any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

*No exceptions were found as a result of this procedure.*

- d) Observed the rate paid to the employees or officials agreed to the authorized salary/pay rate found within the personnel file.

*No exceptions were found as a result of this procedure.*

- 18. Obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly selected two employees or officials, obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agreed the hours to the employee or officials' cumulative leave records, agreed the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agreed the termination payment to entity policy.

*No exceptions were found as a result of this procedure.*

- 19. Obtained management's representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

*No exceptions were found as a result of this procedure.*

### ***Ethics***

---

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained ethics documentation from management, and:

- a) Observed whether the documentation demonstrated each employee/official completed one hour of ethics training during the fiscal period.

*For two of the five employees selected, there was no documentation demonstrating completion of one hour of ethics training during the fiscal period.*

- b) Observed whether the entity maintained documentation which demonstrated each employee and official was notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

*No exceptions were found as a result of this procedure.*

### ***Debt Service***

---

- 21. Obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued.

*No exceptions were found as a result of this procedure.*

- 22. Obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants.

*No exceptions were found as a result of this procedure.*

### ***Fraud Notice***

---

23. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity was domiciled.

*No exceptions were found as a result of this procedure.*

24. Observed the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

*No exceptions were found as a result of this procedure.*

### ***Information Technology Disaster Recovery/Business Continuity***

---

25. Performed the following procedures, verbally discusses the results with management, and reported "We performed the procedure and discussed the results with management.":

- a) Obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups were stored on a physical medium, observed evidence that backups were encrypted before being transported.

*We performed the procedure and discussed the results with management.*

- b) Obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquired of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.

*We performed the procedure and discussed the results with management.*

- c) Obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly selected 5 computers and observed while management demonstrated that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

*We performed the procedure and discussed the results with management.*

### ***Sexual Harassment***

---

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained sexual harassment training documentation from management, and observed the documentation demonstrated each employee/official completed at least one hour of sexual harassment training during the calendar year.

*For one of the five employees selected, there was no documentation demonstrating completion of one hour of sexual harassment training during the fiscal period.*

27. Observed that the entity had posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

*No exceptions were found as a result of this procedure.*

28. Obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed it included the applicable requirements of R.S. 42:344:

a) Number and percentage of public servants in the agency who have completed the training requirements;

*No exceptions were found as a result of this procedure.*

b) Number of sexual harassment complaints received by the agency;

*No exceptions were found as a result of this procedure.*

c) Number of complaints which resulted in a finding that sexual harassment occurred;

*No exceptions were found as a result of this procedure.*

d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

*No exceptions were found as a result of this procedure.*

e) Amount of time it took to resolve each complaint.

*No exceptions were found as a result of this procedure.*

We were engaged by West Baton Rouge Parish Fire Protection District No. 1 to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of West Baton Rouge Parish Fire Protection District No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

*Hawthorn, Waymouth & Carroll, L.L.P.*

June 20, 2022



# West Baton Rouge Parish Fire District 1

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**Charles Stephens**

Fire Chief

**Deanna Fourroux**

Administrative Assistant

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June 21<sup>st</sup>, 2022

Hawthorn, Waymouth & Carroll, L.L.P.  
8545 United Plaza Boulevard, Suite 200  
Baton Rouge, LA 70809

We hereby acknowledge our agreement with the exceptions noted in your report on applying agreed-upon procedures to certain control and compliance areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures, for the fiscal period January 1, 2021 through December 31, 2021. We will address the exceptions and take necessary action to correct them.

Sincerely,

A handwritten signature in blue ink, appearing to read "Phillip Bourgoyne", written over a horizontal line.

Phillip Bourgoyne, Finance Director  
West Baton Rouge Parish Council