

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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James L. Nicholson, Jr., CPA
G. Kenneth Pavy, II, CPA
Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS
www.jsdc-cpas.com

Van L. Auld, CPA

1
John S. Dowling, CPA
1904-1984
John Newton Stout, CPA
1936-2005
Chizal S. Fontenot, CPA
1955-2012

Retired

Harold Dupre, CPA
1996
Dwight Ledoux, CPA
1998
Joel Lanclos, Jr., CPA
2003
Russell J. Stelly, CPA
2005

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
Arnaudville, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of Fire Protection District No. Five of St. Landry Parish, a component unit of the St. Landry Parish Government, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report dated April 30, 2018 on the results of our agreed-upon procedures.

Required Supplementary Information

Management has omitted the 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.

P. O. Box 1549
4766 I-49 North Service Road
Opelousas, Louisiana 70570
Phone: 337-948-4848
Fax: 337-948-6109

112 Fountain Bend Dr.
Lafayette, LA 70506
Phone: 337-984-9717
Fax: 337-984-5544

The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
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Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule on page 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide an assurance on it.

Other Supplementary Information

The accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer on page 25 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

John S. Dowling & Company

Opelousas, Louisiana
April 30, 2018

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2017

GOVERNMENTAL ACTIVITIES

ASSETS

Cash	\$ 1,072,768
Property taxes receivable, net	401,320
State revenue sharing receivable	47,323
Capital assets, net	1,483,161
<u>Total assets</u>	<u>3,004,572</u>

LIABILITIES

Accounts payable	1,700
<u>Total liabilities</u>	<u>1,700</u>

NET POSITION

Net investment in capital assets	1,483,161
Unrestricted	1,519,711
<u>Total net position</u>	<u>3,002,872</u>

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
DECEMBER 31, 2017

<u>ACTIVITIES</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>	<u>NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION</u>
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>		<u>GOVERNMENTAL ACTIVITIES</u>
<u>Governmental Activities</u>					
Public safety - fire	\$ 333,414	\$ -	\$ -	\$ -	\$ (333,414)
<u>Total governmental activities</u>	<u>333,414</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(333,414)</u>
General revenues					
Property taxes					421,960
Intergovernmental					77,993
Interest and investment earnings					3,138
Insurance claim					1,186
<u>Total general revenues</u>					<u>504,277</u>
Change in net position					170,863
Net position – January 1, 2017					<u>2,832,009</u>
Net position – December 31, 2017					<u>3,002,872</u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
DECEMBER 31, 2017

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Cash	\$ 1,072,768
Property taxes receivable, net	401,320
State revenue sharing receivable	47,323
	1,521,411
<u>Total assets</u>	1,521,411
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>	
<u>LIABILITIES</u>	
Accounts payable	\$ 1,700
<u>Total liabilities</u>	1,700
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Unavailable revenue - property taxes and revenue sharing	71,535
<u>Total deferred inflows of resources</u>	71,535
 <u>FUND BALANCE</u>	
Unassigned	923,176
Committed	
Land purchase	50,000
Truck purchase	325,000
Air packs	75,000
Construction of Greenbriar station	75,000
<u>Total fund balance</u>	1,448,176
 <u>Total liabilities, deferred inflows of resources, and fund balance</u>	 1,521,411

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017

Total fund balance for the governmental fund at December 31, 2017		\$1,448,176
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.		71,535
Cost of capital assets at December 31, 2017	\$2,818,966	
Less: Accumulated depreciation as of December 31, 2017	<u>(1,335,805)</u>	<u>1,483,161</u>
Net position at December 31, 2017		<u><u>3,002,872</u></u>

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>GENERAL FUND</u>
<u>REVENUES</u>	
Taxes	
Property taxes	\$ 415,200
Intergovernmental	
State revenue sharing	44,001
Fire insurance tax	30,634
Other revenue	
Interest earnings	3,138
Miscellaneous	806
Insurance claim	380
<u>Total revenues</u>	<u>494,159</u>
<u>EXPENDITURES</u>	
Public safety	
Current	
Contract work	6,000
Per diem fees	2,600
Postage	196
Professional fees	9,925
Miscellaneous	6,011
Building maintenance	9,768
Equipment maintenance	18,977
Firefighting clothing and accessories	31,722
Insurance	44,309
Communications	4,291
Training	4,808
Truck repairs	32,917
Truck fuel	5,857
Utilities	14,911
Supplies and repairs	1,544
Capital outlay	
Trucks and equipment	69,381
<u>Total expenditures</u>	<u>263,217</u>
<u>NET CHANGE IN FUND BALANCE</u>	230,942
<u>FUND BALANCE</u> , beginning of year	1,217,234
<u>FUND BALANCE</u> , end of year	1,448,176

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE
OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

Total net change in fund balance for the year ended December 31, 2017 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 230,942
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.		10,118
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 69,381	
Depreciation expense for year ended December 31, 2017	<u>(139,578)</u>	<u>(70,197)</u>
Total change in net position for the year ended December 31, 2017 per Statement of Activities		<u>170,863</u>

See accompanying notes and independent accountant's review report.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Fire Protection District No. Five of St. Landry Parish have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The following is a summary of certain significant accounting policies and practices of the Fire Protection District No. Five of St. Landry Parish.

A. FINANCIAL REPORTING ENTITY

The basic entity being reported on is Fire Protection District No. Five of St. Landry Parish. Fire Protection District No. Five of St. Landry Parish (Fire District), which is a political subdivision of the state of Louisiana, was created by a resolution of the St. Landry Parish Police Jury in 1983. The District is governed by a Board of Commissioners. The District was created for the purpose of acquiring, maintaining, and operating buildings, machinery, equipment, water tanks, water hydrants, and water lines and any other such thing necessary to provide proper fire prevention and control within the District's limits. The District is financed primarily by parish ad valorem taxes which are dedicated for fire expenditures and debt service.

As the governing authority of the parish, for reporting purposes, the St. Landry Parish Government is the financial reporting entity for St. Landry Parish. The financial reporting entity consists of (a) the primary government (parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

Because the parish government appoints a voting majority of the District's governing body and the parish government has the ability to impose its will on the District, the District was determined to be a component unit of the St. Landry Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of Fire Protection District No. Five of St. Landry Parish, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

FUND FINANCIAL STATEMENTS

The accounts of the 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 that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate. 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. The fund presented in the financial statements is described as follows:

Governmental Fund

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (Continued)

MEASUREMENT FOCUS

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. The fund financial statements utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilizes an "economic resources" measurement focus. The accounting objective of this measurement focus is the determination of operating income, changes in net position and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

BASIS OF ACCOUNTING

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the state of Louisiana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Interest earnings are recorded as earned since they are measurable and available.

Purchases of various operating supplies are regarded as expenditures at the time purchased. The costs of governmental fund-type inventories are recorded as expenditures when purchased and items on hand at year-end, if any, are not recorded as assets, unless material. Expenditures for insurance and similar services which extend over more than one accounting period are accounted for as expenditures of the period of acquisition.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. CASH AND INVESTMENTS

Under state law, the District may deposit funds with any bank located within the state and organized under the laws of the state of Louisiana, any other state in the union, or under the laws of the United States. Further, the District may invest in time deposits or certificates of deposit of those banks.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

At year-end, the carrying amount of the District's cash was \$1,072,768. The bank balance of cash was \$1,055,831. Of the bank balance, \$250,000 was covered by federal depository insurance. Deposits in the amount of \$805,831 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the District's name. The District does not have a policy for custodial credit risk.

E. CAPITAL ASSETS

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment and furniture	10-20 years
Trucks	20-30 years
Software	5 years

The District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Construction period interest is capitalized if material amounts of interest resulting from borrowings in the course of the construction of fixed assets is incurred. No interest was capitalized for the year ended December 31, 2017.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. BUDGETS AND BUDGETARY ACCOUNTING

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

1. The budget must be finally adopted by the District no later than the last day of the preceding year.
2. The Board of Commissioners may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.
3. Operating appropriations lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.
4. Budgets are adopted on a modified accrual basis.

G. VACATION, SICK LEAVE, AND PENSION PLAN

The District does not accrue unused vacation and sick leave, nor did it have a pension plan for the year ended December 31, 2017.

H. ENCUMBRANCES

Encumbrance accounting is not used by the District.

I. EXPENDITURES AND EXPENSES

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, governmental funds report expenditures of financial resources.

J. EQUITY CLASSIFICATIONS

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

1. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position - All other net positions that do not meet the definition of "restricted" or "net investment in capital assets."

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. EQUITY CLASSIFICATIONS (Continued)

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Proprietary fund equity is classified the same as in the government-wide statements.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned and unassigned.

1. Restricted fund balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions for enabling legislation.
2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Commissioners – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
3. Assigned fund balance – This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
4. Unassigned fund balance – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

The District considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. ESTIMATES

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

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until that time. The District does not have any of this type.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The District does not have any of this type.

Property taxes and state revenue sharing receivable for the governmental fund types, which have been remitted within 60 days subsequent to the year-end, are considered measurable and available and recognized as revenues. All other property taxes and state revenue sharing are offset by deferred inflows of resources and, accordingly, have not been recorded as revenue.

NOTE 2 - PROPERTY TAXES

The District's property tax is collected by an intermediary government and remitted on a monthly basis. The intermediary government maintains the tax roll for property taxes for the District. The property tax, levied for the calendar year, is due to the intermediary government on or before December 31 and becomes delinquent on January 1. The taxes are generally collected in December of the current year and January and February of the ensuing year. For the year ended December 31, 2017, taxes of 13.77 mills were levied for maintenance.

All revenue sharing and property tax receivables are shown net of any allowance for uncollectable accounts. Property tax receivable for all governmental fund types, which have been remitted within 60 days subsequent to year-end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred inflows of resources and, accordingly, have not been recorded as revenue.

The taxpayers of Fire Protection District No. Five approved, at a special election held on April 21, 2012, a maintenance tax millage of 14.25 to be the maximum that could be assessed for a ten year period beginning with the 2013 tax year.

As per state requirements, each taxing district of the parish must remit a portion of total ad valorem taxes to the pension fund. This amount is determined by the legislative auditor each year and is to be taken out of the first month of collections of property taxes. If the collections from the first month are not sufficient to cover the pension fund deduction, then the remainder must be deducted from subsequent collections of the property taxes.

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 - PROPERTY TAXES (Continued)

Since the Sheriff of the parish collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. Therefore, property taxes are shown net of pension fund distributions. A breakdown of property taxes receivable as of December 31, 2017 is as follows:

	<u>Total Tax Per Roll</u>	<u>Pension Fund Requirements</u>	<u>Estimated Uncollectible</u>	<u>Collected in December</u>	<u>Net Tax Receivable</u>
General Fund	\$ 444,136	\$14,421	\$2,443	\$ 25,952	\$ 401,320

NOTE 3 - CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended December 31, 2017, for Fire Protection District No. Five of St. Landry Parish are as follows:

	<u>Balance 1/1/2017</u>	<u>Purchases</u>	<u>Deletions</u>	<u>Balance 12/31/2017</u>
Governmental activities				
Buildings	\$ 192,943	\$ -	\$ -	\$ 192,943
Equipment and furniture	561,352	17,080	-	578,432
Trucks	1,985,290	52,301	-	2,037,591
Land	10,000	-	-	10,000
<u>Totals at historical cost</u>	<u>2,749,585</u>	<u>69,381</u>	<u>-</u>	<u>2,818,966</u>
Less accumulated depreciation				
Buildings	53,815	4,810	-	58,625
Equipment and furniture	302,253	38,268	-	340,521
Trucks	840,159	96,500	-	936,659
<u>Total accumulated depreciation</u>	<u>1,196,227</u>	<u>139,578</u>	<u>-</u>	<u>1,335,805</u>
Governmental activities Capital assets, net	<u>1,553,358</u>	<u>(70,197)</u>	<u>-</u>	<u>1,483,161</u>

Depreciation expense was charged to governmental activities as follows:

Public safety – fire	\$ 139,578
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FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUDVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 4 - DEFICITS IN INDIVIDUAL FUNDS

The District does not have a deficit fund balance for the year ended December 31, 2017.

NOTE 5 - PER DIEM

Compensation and travel paid to board members is summarized below:

<u>Board Members</u>	<u>Number of Meetings Attended</u>	<u>Compensation</u>
James P. Womack	12	\$ 600
Randy Courville	12	600
Ryan Dupre	12	600
Lester Bergeron	7	350
Andrew Degenhardt	9	450
		<u>2,600</u>

NOTE 6 - SUBSEQUENT EVENTS

Subsequent events were evaluated through April 30, 2018, the date which the financial statements were available to be issued. As of that date, there are no subsequent events noted.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Fire Protection District No. Five of St. Landry Parish does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

NOTE 8 - FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to balance classification.

	<u>General Fund</u>
Fund Balances:	
Nonspendable	\$ -
Restricted	-
Committed	525,000
Assigned	-
Unassigned	<u>923,176</u>
<u>Total fund balances</u>	<u>1,448,176</u>

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<u>REVENUES</u>				
Taxes	\$ 382,000	\$ 382,000	\$ 415,200	\$ 33,200
Intergovernmental	79,000	79,000	74,635	(4,365)
Interest earnings	2,200	2,200	3,138	938
Miscellaneous	1,000	1,000	806	(194)
Insurance claim	-	-	380	380
<u>Total revenues</u>	<u>464,200</u>	<u>464,200</u>	<u>494,159</u>	<u>29,579</u>
<u>EXPENDITURES</u>				
Public safety – fire				
Office supplies	7,500	1,700	1,544	156
Electricity	8,200	9,000	8,282	718
Telephone	5,500	5,000	5,768	(768)
Utilities	1,000	1,700	861	839
Insurance	42,600	44,309	44,309	-
Miscellaneous expense	5,000	8,500	6,011	2,489
Postage	200	196	196	-
Firefighting clothing and accessories	110,000	80,000	31,722	48,278
Communications	4,000	6,500	4,291	2,209
Fuel and oil	4,200	5,800	5,857	(57)
Truck repairs	15,000	38,000	32,917	5,083
Building Maintenance	45,000	12,000	9,768	2,232
Training	6,500	5,000	4,808	192
Professional fees	5,000	10,000	9,925	75
Equipment maintenance	30,000	20,000	18,977	1,023
Prevention education expense	1,000	-	-	-
Board of directors per diem	3,000	2,650	2,600	50
Secretary - bookkeeper	6,000	6,000	6,000	-
Capital outlay				
Trucks and equipment	-	52,378	69,381	(17,003)
<u>Total expenditures</u>	<u>299,700</u>	<u>308,733</u>	<u>263,217</u>	<u>45,516</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>164,500</u>	<u>155,467</u>	<u>230,942</u>	<u>75,095</u>
<u>FUND BALANCE</u> , beginning of year			<u>1,217,234</u>	
<u>FUND BALANCE</u> , end of year			<u>1,448,176</u>	

See independent accountant's review report.

OTHER SUPPLEMENTARY INFORMATION

James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA
 Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS
 www.jsdc-cpas.com

Van L. Auld, CPA

John S. Dowling, CPA
 1904-1984
 John Newton Stout, CPA
 1936-2005
 Chizal S. Fontenot, CPA
 1955-2012

Retired

Harold Dupre, CPA
 1996
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003
 Russell J. Stelly, CPA
 2005

INDEPENDENT ACCOUNTANT'S REPORT
 ON APPLYING AGREED-UPON PROCEDURES

The Board of Commissioners
 Fire Protection District No. Five
 of St. Landry Parish
 Arnaudville, Louisiana

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

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, and public works exceeding \$154,450. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made for materials and supplies exceeding \$30,000 or public works exceeding \$154,450.

Code of Ethics for Public Officials and Public Employees

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

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

The Board of Commissioners
 Fire Protection District No. Five
 of St. Landry Parish
 Page 2

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

The District has no employees.

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

The District has no employees.

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

Management provided us with the required list of disbursements, outside business interest of board members' and board members' immediate families. No vendors appeared on both lists.

Budgeting

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

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

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

The adoption of the original budget was traced to the minutes of the meeting held on December 12, 2016. We traced the adoption of the amended budget to the minutes of a meeting held on December 14, 2017.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the General Fund's final budget to actual revenues and expenditures. Budgeted revenues of the General Fund did not exceed actual revenues by 5% or more. Actual expenditures of the General Fund did not exceed budgeted expenditures by 5% or more.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) Report whether the six disbursements agree to the amount and payee in the supporting documentation;

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

The Board of Commissioners
 Fire Protection District No. Five
 of St. Landry Parish
 Page 3

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

Payments were properly coded to the correct fund and general ledger account.

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

All payments were properly approved by the Board of Commissioners.

Meetings

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

Fire Protection District No. Five of St. Landry Parish is only required to post a notice of each meeting and the accompanying agenda. Management has asserted that such documents were properly posted, and the notices are included with the minutes.

Debt

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

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

Advances and Bonuses

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

The District has no employees. A reading of the minutes of the District for the year indicated no approval for any such payments noted.

State Audit Law

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

The District's report was submitted before the due date of June 30, 2018.

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

The District did not enter into any contract that utilized state funds nor were subject to the public bid law.

The Board of Commissioners
Fire Protection District No. Five
of St. Landry Parish
Page 4

Prior-Year Comments

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

Our prior year report, dated May 30, 2017, included one comment which is unresolved.

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

This report is intended solely for the use of management of Fire Protection District No. Five of St. Landry Parish and the Legislative Auditor, state of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

John S. Dowling & Company

Opelousas, Louisiana
April 30, 2018

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2017

SECTION I - INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS

COMPLIANCE

2017-1 Budget Presentation

Condition: The budget was not presented in the required format.

Criteria: The Louisiana Local Government Budget Act (RS 39:1305(c)(2)(a)) states that the budget must be presented in a specific format.

Cause: The budget was not properly presented.

Effect: The format required by the Louisiana Government Budget Act was not followed.

Recommendation: The budget should be prepared using the proper format.

Corrective Action Plan: The budget will be prepared in the proper format in the future.

Contact Person: Candice Elkins

SECTION II - INTERNAL CONTROL AND COMPLIANCE TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2017

SECTION I - INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS

COMPLIANCE

2016-1 Budget Presentation

Unresolved – Repeat Comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A

FIRE PROTECTION DISTRICT NO. FIVE OF ST. LANDRY PARISH
ARNAUVILLE, LOUISIANA
SCHEDULE OF COMPENSATION BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
YEAR ENDED DECEMBER 31, 2017

Agency Head Name: James P. Womack, Chairman

Purpose	Amount
Salary	\$0
Benefits-insurance	0
Benefits-retirement	0
Benefits	0
Car allowance	0
Vehicle provided by government	0
Per diem	600
Reimbursements	392
Travel	0
Registration fees	500
Conference travel	624
Continuing professional education fees	0
Housing	0
Unvouchered expenses*	0
Special meals	0
Other - membership dues	100

See independent accountant's review report.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

October 30, 2017 (Date Transmitted)

John S. Dowling & Company (CPA Firm Name)
P.O. Box 1549 (CPA Firm Address)
Opelousas, LA 70571-1549 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12-31-2017 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [] No []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [] No []

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

Yes [] No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [] No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [] No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [] No []

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

<u>Candice Elkins</u>	Secretary	<u>10/30/17</u>	Date
<u>Candice Elkins</u>	Treasurer	<u>10/30/17</u>	Date
<u>James Phenoct</u>	President	<u>10/30/17</u>	Date