

***FIRE PROTECTION DISTRICT NO. 6***  
***Of the Parishes of Terrebonne and Lafourche***  
***State of Louisiana***  
***ANNUAL FINANCIAL REPORT***  
***FOR THE YEAR ENDED DECEMBER 31, 2020***

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the Parishes of Terrebonne and Lafourche**  
**State of Louisiana**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Year Ended December 31, 2020**

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***FIRE PROTECTION DISTRICT NO. 6***  
***Of the PARISHES OF TERREBONNE AND LAFOURCHE***  
***MANAGEMENT'S DISCUSSION AND ANALYSIS***  
***For the Year Ended December 31, 2020***

This discussion and analysis of Fire Protection District No. 6's (the District) financial performance provides an overview of the financial activities as of and for the fiscal year ended December 31, 2020. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

***FINANCIAL HIGHLIGHTS***

Our financial statements provide these insights into the results of this year's operations:

- The net position of our governmental activities decreased by \$87,455, or approximately 4.5%. Assets exceeded liabilities by \$1,925,348 (net position).
- During the year, expenses were \$903,336 more than the \$18,499 generated in program revenues for governmental programs. General revenues of \$815,881 added to the program revenues made up the shortfall to end the year with expenses exceeding revenue by \$87,455. This compares to last year when revenues exceeded expenses by \$46,432.
- Governmental funds reported an ending fund balance of \$652,358 – of which \$62,798 is non-spendable for prepaid insurance and \$30,000 is assigned by the Board in the 2021 budget for truck replacement – the remainder of \$559,560 is considered unassigned. The net increase in fund balance for the year was \$28,104.

***USING THIS ANNUAL REPORT***

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-Wide Financial Statements) provide information about the governmental activities as a whole and present a longer-term view of the finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Other Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the PARISHES OF TERREBONNE AND LAFOURCHE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues, governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, business-type activities.

***Fund Financial Statements***

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws.

The District utilizes a governmental type of fund with the following accounting approach. All of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the PARISHES OF TERREBONNE AND LAFOURCHE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

**FINANCIAL ANALYSIS AS A WHOLE (GWFS)**

The net position decreased by \$87,455 about 4.5% as noted in the following table. A large portion of the District's net assets reflects its investment in capital assets - \$2,061,980. Current assets remained relatively stable, while capital assets decreased because the depreciation recorded was more than the assets added. The deferred outflows and deferred inflows increased and reflected the changes in the deferred ad valorem tax levy, pension and other post employment benefits. The current liabilities were substantially less than last year because there was no payroll and benefits accrual necessary this year. Non-current liabilities remained relatively stable.

	Condensed Statement of Net Position		Dollar Change
	2019	2020	
Current and Other Assets	\$ 1,459,802	\$ 1,466,336	\$ 6,534
Capital Assets	2,148,164	2,061,980	(86,184)
<b>Total Assets</b>	<b>3,607,966</b>	<b>3,528,316</b>	<b>(79,650)</b>
<b>Deferred Outflows</b>	<b>190,541</b>	<b>209,347</b>	<b>18,806</b>
Current Liabilities	19,403	456	(18,947)
Non-current Liabilities	881,625	883,652	2,027
<b>Total Liabilities</b>	<b>901,028</b>	<b>884,108</b>	<b>(16,920)</b>
<b>Deferred Inflows</b>	<b>884,676</b>	<b>928,207</b>	<b>43,531</b>
Invested in Capital Assets	2,148,164	2,061,980	(86,184)
Unrestricted	(135,361)	(136,632)	(1,271)
<b>Total Net Position</b>	<b>\$ 2,012,803</b>	<b>\$ 1,925,348</b>	<b>\$ (87,455)</b>

The net position of governmental activities decreased as mentioned above and again noted in the following table. The amount spent on operating and maintaining the fire safety (program expenses) of the District decreased by almost \$90,000 or 10% during the year. In the prior year program revenues included a grant of over \$130,000 for a new fire truck which was not received this year. General revenues increased slightly from the prior year.

	Condensed Statement of Activities		Dollar Change
	2019	2020	
Total program expenses	\$(1,011,064)	\$ (921,835)	\$ (89,229)
Total program revenues	154,304	18,499	(135,805)
<b>Net program income</b>	<b>(856,760)</b>	<b>(903,336)</b>	<b>(46,576)</b>
General revenues	810,328	815,881	5,553
<b>Change in Net Position</b>	<b>(46,432)</b>	<b>(87,455)</b>	<b>41,023</b>
<b>Net Position:</b>			
Beginning of the year	2,059,235	2,012,803	(46,432)
End of the year	<u>\$ 2,012,803</u>	<u>\$ 1,925,348</u>	<u>\$ (87,455)</u>

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the PARISHES OF TERREBONNE AND LAFOURCHE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2020**

**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (FFS)**

The General fund reported an ending fund balance of \$652,358. This reflects an increase of \$28,104 or 5% from the prior year. Capital outlay expenditures were \$73,964, including building improvements and equipment.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget for the General Fund was revised during the year. Authorized budget amendments were approved as follows:

Original Budgeted Revenues	\$860,416
Amendments were made for:	
Decreased Ad Valorem taxes	(24,646)
Decreased Intergovernmental revenue	(387)
Increased Fees, Interest and Miscellaneous	21,920
Total revenue amendments	(11,593)
Amended Budgeted Revenues	\$848,823

Original Budgeted Expenditures	\$850,416
Amendments were made for:	
Increased current expenditures	10,525
Decreased Capital Outlay	(29,000)
Total expenditure amendments	(18,475)
Amended Budgeted Expenditures	\$831,941

All variances were in compliance with the State Budget Law.

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the PARISHES OF TERREBONNE AND LAFOURCHE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2020**

**CAPITAL ASSETS**

A summary of current and prior year balances follows:

	12/31/2019 Balance	12/31/2020 Balance
<b>NON-DEPRECIABLE ASSETS</b>		
Land	\$38,703	\$38,703
<b>DEPRECIABLE ASSETS:</b>		
Buildings & Improvements	2,016,333	1,996,686
Machinery & Vehicles	1,454,998	1,501,110
Office Furniture & Equipment	10,846	10,846
Total Cost of depreciable assets	<u>3,482,177</u>	<u>3,508,642</u>
Total Cost of Assets	3,520,880	3,230,551
Buildings & Improvements	831,735	871,629
Machinery & Vehicles	539,454	610,279
Office Furniture & Equipment	1,527	3,457
Total accumulated depreciation	<u>1,372,716</u>	<u>1,485,365</u>
Net depreciable assets	<u>\$2,109,461</u>	<u>\$2,023,277</u>
Net capital assets	<u><u>\$2,148,164</u></u>	<u><u>\$2,061,980</u></u>
 Depreciation	 <u><u>\$130,336</u></u>	 <u><u>\$144,645</u></u>

This year there was total additions of \$73,964 for building improvements and equipment. The net amount of assets deleted was \$15,504 during the year. More detailed information about the capital assets is presented in Note 4 to the financial statements.

**FIREFIGHTERS RETIREMENT SYSTEM**

The District implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. That Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits, and to more comprehensively and comparably measure the annual costs of pension benefits.

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the PARISHES OF TERREBONNE AND LAFOURCHE**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2020**

As of December 31, 2020, the District reported liabilities in the GWFS of \$643,386 in its governmental activities for its proportionate share of the net pension liabilities of the System, an increase of \$58,849 from the prior year. More detailed information is presented in Note 6 to the financial statements.

**OTHER POST EMPLOYMENT BENEFITS**

The District has implemented Governmental Accounting Standards Board (GASB) Statement 75 which increases the reporting and disclosure requirements for other post-employment benefits (OPEB). The District's total OPEB liability of \$240,266 measured as of December 31, 2020 and was determined by an actuarial valuation as of that date, a decrease of \$56,822 from the prior year. More detailed information about the other post-employment benefits is presented in Note 7 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Highlights of next year's General Fund budget include:

<b>Condensed Summary of Budgeted Finances</b>	
	<b>2021</b>
<b>Anticipated revenues</b>	<b>\$ 835,920</b>
<b>Expenditures:</b>	
Current	768,600
Capital outlay	71,000
Anticipated expenditures	<u>839,600</u>
Net change in fund balance	(3,680)
<b>Fund Balance:</b>	
Beginning of the year	<u>641,136</u>
End of the year	<u><u>\$637,456</u></u>



***FIRE PROTECTION DISTRICT NO. 6***  
***Of the PARISHES OF TERREBONNE AND LAFOURCHE***  
***MANAGEMENT'S DISCUSSION AND ANALYSIS***  
***For the Year Ended December 31, 2020***

***CONTACTING FINANCIAL MANAGEMENT***

This financial report is designed to provide a general overview of the District's finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Ms. Maryetta Ellender, Chairman  
1105 Hwy 55  
Montegut, LA  
Phone # 985-856-1599

## ***FINANCIAL SECTION***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Commissioners of  
Fire Protection District No. 6  
Of the Parishes of Terrebonne and Lafourche

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Fire Protection District No. 6 Of the Parishes of Terrebonne and Lafourche (the District), a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2020, and the notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit includes performing procedures to obtain audit evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund as of December 31, 2020 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.



To the Commissioners of the  
Fire Protection District No. 6  
Of the Parishes of Terrebonne and Lafourche  
Page 3

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 are 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 a report dated May 4, 2021, on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

*Stagni & Company*

Thibodaux, Louisiana  
May 4, 2021



**FIRE PROTECTION DISTRICT NO. 6  
OF THE PARISHES OF TERREBONNE AND LAFOURCHE**

Statement of Net Position  
December 31, 2020

**ASSETS**

Cash	\$ 8,403
Investments	595,195
Ad valorem taxes receivable	155,218
Due from other governmental units	644,722
Prepaid Insurance	62,798
Capital Assets, net of accumulated depreciation	<u>2,061,980</u>
<b>TOTAL ASSETS</b>	<b><u>3,528,316</u></b>

**DEFERRED OUTFLOWS OF RESOURCES**

Related to net pension liability	209,347
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**LIABILITIES, DEFERRED INFLOWS AND NET POSITION**

***Liabilities:***

Accounts payable	456
Noncurrent liabilities:	
Net pension liability	643,386
Other postemployment benefit liability	<u>240,266</u>
<b><i>Total liabilities</i></b>	<b><u>884,108</u></b>

***Deferred Inflows of Resources-***

Property taxes - subsequent year	813,522
Related to net pension liability	53,051
Related to OPEB liability	<u>61,634</u>
<b><i>Total deferred inflows</i></b>	<b><u>928,207</u></b>

***Net Position:***

Net Invested in capital assets	2,061,980
Unrestricted	<u>(136,632)</u>
<b><i>Total net position</i></b>	<b><u>\$ 1,925,348</u></b>

See notes to financial statements.

**FIRE PROTECTION DISTRICT NO. 6  
OF THE PARISHES OF TERREBONNE AND LAFOURCHE**

Statement of Activities - Governmental Activities  
For the Year Ended December 31, 2020

<b>FUNCTIONS/PROGRAMS</b>	<b>Expenses</b>	<b>Charges for services</b>	<b>Operating &amp; Capital Grants</b>	<b>Net (Expense) Revenue</b>
Public safety-fire protection	\$ 921,835	\$ -	\$ 18,499	\$ (903,336)
Total governmental activities	<u>\$ 921,835</u>	<u>\$ -</u>	<u>\$ 18,499</u>	<u>(903,336)</u>

**GENERAL REVENUES**

Ad valorem taxes	789,470
State revenue sharing	10,413
Insurance Claims Refund	9,479
Unrestricted investment earnings	<u>6,519</u>
<i>Total General Revenues</i>	<u>815,881</u>

**Change in Net Position** (87,455)

**NET POSITION:**

Beginning of year	<u>2,012,803</u>
End of year	<u><u>\$ 1,925,348</u></u>

See notes to the financial statements.

**FIRE PROTECTION DISTRICT NO. 6  
OF THE PARISHES OF TERREBONNE AND LAFOURCHE**

Balance Sheet - Governmental Fund - General Fund  
December 31, 2020

**ASSETS**

Cash	\$ 8,403
Investments	595,195
Receivables - taxes	155,218
Due from other governmental units	644,722
Prepaid Insurance	62,798
<b>TOTAL ASSETS</b>	<b><u>\$ 1,466,336</u></b>

**LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE**

***Liabilities -***

Accounts payable and Accrued liabilities	\$ 456
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***Deferred Inflows of Resources -***

Property taxes - subsequent period	813,522
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***Fund balances:***

Non-spendable - Prepaid Insurance	62,798
Assigned by the Board for Truck Replacement	30,000
Unassigned	559,560
<b>Total fund balance</b>	<b><u>652,358</u></b>

**RECONCILIATION TO THE STATEMENT OF NET POSITION:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Add Non-depreciable capital assets	38,703	
Add - Depreciable capital assets	3,508,642	
Deduct - Accumulated depreciation	<u>(1,485,365)</u>	2,061,980

Deferred outflows of resources related to net pension liability are not available resources and, therefore, are not reported in the funds

Related to net pension liability	209,347
Related to net OPEB liability	56,231

Long-term Liabilities not due and payable in the current period and therefore are not reported in the funds

Deduct - Net pension liability	(643,386)
Deduct - OPEB liability	<u>(240,266)</u>
	(883,652)

Deferred inflows of resources are not payable from current expendable resources and, therefore, are not reported in the funds

Related to net pension liability	(53,051)
Related to net OPEB liability	<u>(61,634)</u>
	(114,685)

***Net position of governmental activities***

**\$ 1,925,348**

See notes to financial statements.



**FIRE PROTECTION DISTRICT NO. 6  
OF THE PARISHES OF TERREBONNE AND LAFOURCHE**

Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Governmental Fund - General Fund  
For the Year Ended December 31, 2020

**REVENUES**

Ad Valorem Taxes	\$ 789,470
Intergovernmental - State of Louisiana	
State Revenue Sharing	10,413
Fire Insurance Tax	18,499
Facility Rentals	-
Insurance Claims Refund	9,479
Interest	6,519
<b>TOTAL REVENUES</b>	<b><u>834,380</u></b>

**EXPENDITURES**

***Current - Public Safety:***

Salaries and benefits	436,085
Uniforms	11,950
Office operations	1,698
General Government	26,705
Gasoline, Diesel & Oil	6,455
Operating supplies	8,329
Utilities	19,076
Telephone	15,583
Insurance	74,740
2% Fire Insurance Rebate	4,523
Volunteer response and training	4,400
E-911 Fire Dispatch Services	4,685
Professional service fees	34,480
Publish Proceedings/Class Ads	684
Travel & Training	8,887
Membership dues	1,898
Bank Charges	937
Licenses and permits	975
Repairs and maintenance	70,222
<b><i>Total current</i></b>	<b><u>732,312</u></b>

***Capital outlay***

	<u>73,964</u>
<b>TOTAL EXPENDITURES</b>	<b><u>806,276</u></b>

**NET CHANGE IN FUND BALANCE**

28,104

**FUND BALANCE:**

Beginning of year	624,254
End of year	<b><u>\$ 652,358</u></b>

See notes to financial statements.

**FIRE PROTECTION DISTRICT NO. 6**  
**OF THE PARISHES OF TERREBONNE AND LAFOURCHE**

Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Governmental Fund to the Statement of Activities  
For the Year Ended December 31, 2020

<b>Net change in fund balance - governmental fund</b>	<b>\$ 28,104</b>
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Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives, and reported as depreciation expense.

Add - Capital outlay	73,964
Net disposal of assets	(15,503)
Deduct - Depreciation expense	<u>(144,645)</u>
	(86,184)

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

Increase in Net Pension Liability	58,849
Decrease in OPEB Liability	(56,822)
Increase in Deferred Outflows -Pension	18,806
Decrease in Deferred Outflows -OPEB	(13,607)
Change in Deferred Inflows-Pension	12,845
Change in Deferred Inflows-OPEB	<u>(49,446)</u>
	(29,375)

<b>Change in net position - governmental activities</b>	<b><u><u>\$ (87,455)</u></u></b>
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***FIRE PROTECTION DISTRICT NO. 6***  
***Of the Parishes of Terrebonne and Lafourche, State of Louisiana***  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

Fire Protection District No. 6 of the Parishes of Terrebonne and Lafourche (the District) was formed under La. Revised Statute 40:1492 and 40:1496 and by Terrebonne Parish resolution adopted June 11, 1947 and revised by Terrebonne Parish ordinance 5175 adopted January 12, 1994. The District is governed by a Board of Commissioners comprised of seven members appointed by the Terrebonne and Lafourche Parish Councils.

The District was formed for the acquisition, purchase, construction, improvement, maintenance, and operations of fire protection facilities and equipment, and obtaining water for fire protection purposes in Ward 6 of the Parish of Terrebonne and in Ward 11 of the Parish of Lafourche.

***Note 1***                      ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A.     Reporting Entity**

As the governing authority, the Terrebonne Parish Consolidated Government is the financial reporting entity for Terrebonne Parish. The majority of ad valorem tax revenue is received from Terrebonne Parish. Because the Terrebonne Parish Consolidated Government could by definition in statute be financially burdened by the Fire District No. 6, the District was determined to be a component unit of the Terrebonne Parish Consolidated Government. The accompanying financial statements present information only on the funds maintained by the District and its component unit and do not present information on the Terrebonne Parish Consolidated Government, the general government services provided by that governmental unit, or the other governmental reporting entity. The accompanying financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish.

***FIRE PROTECTION DISTRICT NO. 6***  
***Of the Parishes of Terrebonne and Lafourche, State of Louisiana***  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

***Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)***

**B.      Basis of Presentation**

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are as follows:

***Governmental Fund Type***

Governmental funds account for all or most of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance.

The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The governmental fund is the General Fund. The General Fund is used to account for all financial resources and expenditures except those required to be accounted for in other funds.

**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.

***Fund Financial Statements (FFS)***

The amounts reflected in fund financial statements, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

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**Of the Parishes of Terrebonne and Lafourche, State of Louisiana**  
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**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**C.      Measurement Focus / Basis of Accounting (continued)**

The amounts reflected in the fund financial statements, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. The District considers all revenues available if they are collected within 60 days after the fiscal year end.

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

- **Revenues** – Ad valorem taxes and the related state revenue sharing are recorded as revenue in the period for which levied, thus the 2019 property taxes which were levied to finance the 2020 budget are recognized as revenue in 2020. The 2020 tax levy is recorded as deferred revenue in the current financial statements. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable or available until actually received.
- **Expenditures** – The major expenditures current public safety supplies, insurance and audit and accounting fees are recorded when payable or when the fees are incurred.

**Government-Wide Financial Statements (GWFS)**

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

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**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**C.      Measurement Focus / Basis of Accounting (continued)**

Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of Section N50.

- **Program Revenues** - Program revenues included in the column labeled Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the general revenues.

**D. Use of 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 that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**E. Operating Budgets**

As required by Louisiana Revised Statutes, The Board of Commissioners adopted a budget for the District's General Fund. The Board must approve any amendment involving the transfer of monies from one function to another, or increases in expenditures. The district amended its budget as required. All budgeted amounts that are not expended or obligated through contracts lapse at year-end. The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

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**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**F.      Cash and Investments**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Investments are stated at fair value as established by open market, except for the Louisiana Asset Management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met.

**G.      Receivables**

The financial statements for the District contain no allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

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**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**H.      Prepaid Insurance**

The District has recorded prepaid insurance in the General Fund. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**I.      Deferred Outflows and Inflows of Resources**

The District reports decreases (increases) in net position that relate to future periods as deferred outflows (inflows) of resources in separate sections of its Statement of Net Position. The District reports deferred outflows of resources and deferred inflows of resources related to its net pension liability. These amounts are being amortized over a period of five years.

**J.      Vacation and Sick Leave**

Accumulated vacation and sick leave is recorded as an expenditure of the period in which paid in the Governmental Fund. Full time employees are entitled to eighteen days' vacation after one year of service. Each year the employee must use vacation time accumulated before their anniversary date (the day they first began working), if not taken it is forfeited. The vacation period is increased one day for each year of service over ten years, up to a maximum of thirty days. There is no material accumulated vacation or sick leave at year end.

**K.      Capital Assets**

In the government-wide financial statements, additions, improvements and other capital outlays that significantly extend the useful life of an asset are recorded and depreciated (capitalized). Capital assets purchased or acquired are valued at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. All capital assets, other than land, are depreciated using the straight-line method over the following estimated useful lives:



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**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**K. Capital Assets (continued)**

<b>CATEGORY</b>	<b>LIFE</b>
BUILDINGS AND IMPROVEMENTS	25-40 YEARS
MACHINERY AND EQUIPMENT	5-20 YEARS
OFFICE FURNITURE, FIXTURES & EQUIPMENT	5-10 YEARS

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

**L. Fund Equity**

For government-wide statement of net position, net assets are displayed in three components:

- Invested in 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, if any.
- Restricted net assets – those with constraints placed on the use either by:
  - i. External groups such as creditors, grantors, contributions or laws or regulations of other governments; or
  - ii. Law through constitutional provisions or enabling legislation.
- Unrestricted net assets – all other assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**L. Fund Equity (continued)**

Governmental fund equity is classified as fund balance. Fund balance is further classified as:

- Non-spendable fund balance cannot be spent because of its form.
- Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions.
- Committed fund balance is a limitation imposed by the Board through approval in minutes.
- Assigned fund balances is a limitation imposed by a designee of the Board.
- Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

**Note 2      DEPOSITS AND INVESTMENTS**

Deposit balances at year end are as follows:

	Per Bank	As Reported
Cash	\$ 20,076	\$8,403

State law requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits.

Obligations furnished, as security must be held by the District or with an unaffiliated bank or trust company for the account of the political subdivision. Under the provision of GASB, pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

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**Note 2      DEPOSITS AND INVESTMENTS (continued)**

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. At year end none of the bank balance was exposed to custodial credit risk.

The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

*Investments:*

Investment balances and maturities at year end are as follows:

Investment Type	As Reported	Fair Value	Maturity
Louisiana Asset Management Pool	\$595,195	\$595,195	LESS THAN 1 YEAR

At year-end the balance of investments is invested in the Louisiana Asset management Pool (LAMP). LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33:2955.

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**Note 2        DEPOSITS AND INVESTMENTS (continued)**

Accordingly, LAMP investments are restricted to securities issued, guaranteed, or back by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value.

For purposes of determining participants' shares, investments are valued at amortized cost, which approximates fair value. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP is rated AAAM by Standard & Poor's. LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form.

For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required for custodial credit risk. Pooled investments are excluded from the 5 percent disclosure requirement regarding the concentration of credit risk. 2a-7 like investments pools are excluded from the interest rate disclosure requirement, nor is foreign currency risk disclosure applicable.

Interest rate risk inherent in the portfolio is measured by monitoring the segmented time distribution of the investments in the portfolio. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost, which approximates fair value. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

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**Note 3                      AD VALOREM TAXES**

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in both Parishes. Assessed values are established by the Terrebonne and Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 2020.

Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2019, on which the 2020 revenue was recorded was \$16.05 per \$1,000 of assessed valuation on property within Fire Protection District No. 6 for the purpose of acquiring, constructing, maintaining and operating fire protection facilities within the District and paying the cost of obtaining water for fire protection purposes, including fire hydrant rentals and service.

**Note 4                      CAPITAL ASSETS**

Information about capital assets and depreciation for the year are summarized as follows:

	Balance	Additions	Deletions/ Adjustments	Balance
<b>NON-DEPRECIABLE ASSETS</b>				
Land	\$ 38,703	\$ -	\$ -	\$38,703
	<b>38,703</b>	<b>-</b>	<b>-</b>	<b>38,703</b>
<b>DEPRECIABLE ASSETS:</b>				
Buildings & Improvements	2,016,333	6,005	(25,652)	1,996,686
Machinery & Vehicles	1,454,998	67,959	(21,847)	1,501,110
Office Furniture & Equipment	10,846	-	-	10,846
Total Cost of depreciable assets	<b>3,482,177</b>	<b>73,964</b>	<b>(47,499)</b>	<b>3,508,642</b>
Total Cost of Assets	<b>3,520,880</b>	<b>73,964</b>	<b>(47,499)</b>	<b>3,547,345</b>

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For the Year Ended December 31, 2020

**Note 4 CAPITAL ASSETS (continued)**

<b>ACCUMULATED DEPRECIATION</b>				
Buildings & Improvements	831,735	51,572	(11,678)	871,629
Machinery & Vehicles	539,454	91,142	(20,318)	610,279
Office Furniture & Equipment	1,526	1,931	-	3,457
<b>Total accumulated depreciation</b>	<b>1,372,716</b>	<b>144,645</b>	<b>(31,996)</b>	<b>1,485,365</b>
Net depreciable assets	<u>\$2,109,461</u>			<u>\$2,023,277</u>
Net capital assets	<u><b>\$2,148,164</b></u>			<u><b>\$2,061,980</b></u>

Depreciation Expense of \$144,645 was recorded in the governmental activities.

**NOTE 5 DUE FROM OTHER GOVERNMENTAL UNITS**

The detail from whom amounts are due at year end are as follows:

Lafourche Parish Tax Collector	\$28,661
Terrebonne Parish Tax Collector	616,061
<b>Total</b>	<b>\$644,722</b>

**NOTE 6 FIREFIGHTERS RETIREMENT SYSTEM**

The District adopted GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. That Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

**PLAN DESCRIPTION** – The District contributes to the Firefighters' Retirement System of Louisiana (FRS), a cost-sharing multiple-employer defined benefit public retirement system, which is controlled and administered by a separate Board of Trustees. The System provides retirement, disability benefits, and death benefits for its members.

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**NOTE 6      FIREFIGHTERS RETIREMENT SYSTEM (continued)**

Act 434 of the 1979 Louisiana Legislative Session established the plan. The System is governed by Louisiana R.S. 11:2251 – 11:2269, specifically, and other general laws of the State. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to Firefighters' Retirement System of Louisiana, 2051 Silverside Dr., Suite 210, Baton Rouge, LA 70808-4136 or at their website <http://www.lafirefightersret.com>.

**ELIGIBILITY REQUIREMENTS** – 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. Members in the System consist of full-time firefighters, eligible employees of the retirement 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 state supplemental pay, and is employed by a fire department of any municipality, parish, or fire protection district of the State of Louisiana, except for Orleans Parish and the City of Baton Rouge. 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 from 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.

**RETIREMENT BENEFITS** – Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

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**NOTE 6      FIREFIGHTERS RETIREMENT SYSTEM (continued)**

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven options at retirement. See R.S. 11:2256(A) for additional details on retirement benefits.

**DISABILITY BENEFITS** – A member who acquires a disability, and who files for disability benefits while in service, and who upon medical examination and certification as provided for in Title 11, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

**DEATH BENEFITS** – Benefits shall be payable to the surviving eligible spouse or designated beneficiary of a deceased member as specified in R.S. 11:2256(B) & (C).

**DEFERRED RETIREMENT OPTION PLAN (DROP)** – After completing 20 years of creditable service and age 50 or 25 years 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 DROP employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the DROP 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 DROP 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 DROP account until the participant retires.

**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 the DROP account.



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**NOTE 6      FIREFIGHTERS RETIREMENT SYSTEM (continued)**

**EMPLOYER CONTRIBUTIONS** – Employer contributions are actuarially determined each year. For the period July 1, 2019 to June 30, 2020, employer and employee contributions for members above the poverty line were 27.75% and 10.00% respectively, and for members below the poverty line were 29.75% 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 are recognized as revenue during the year ended June 30, 2020 and were excluded from pension expense. Non-employer contributions received by the System during the year ended June 30, 2020 for the System were \$28,017,672 and for the District were \$26,006.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES** - As of December 31, 2020, the District reported liabilities in the GWFS of \$643,386 in its governmental activities for its proportionate share of the net pension liabilities of the System. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension obligation was determined by an actuarial valuation as of that date. The proportion of the net pension liability was based on a projection of the long-term contributions to the plans relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2020, the District's proportional share of the System was .092820% which was an increase of .00053% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020 the District recognized a pension expense of \$136,589 in its governmental activities related to its participation in the System and District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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Notes to the Financial Statements  
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**NOTE 6      FIREFIGHTERS RETIREMENT SYSTEM (continued)**

	Deferred outflows	Deferred inflows
Differences between expected and actual experience	\$ -	\$(41,164)
Investment Earnings	70,854	-
Changes in assumption	62,195	-
Changes in proportion	36,706	(11,887)
Employer Contributions after the measurement period	39,592	-
	<u>\$209,347</u>	<u>\$(53,051)</u>

The deferred outflows of resources related to pensions resulting from contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2021	\$ 17,693
2022	38,569
2023	36,363
2024 & thereafter	24,079
	<u>\$116,704</u>

**ACTUARIAL ASSUMPTIONS** - The total pension liabilities, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

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**NOTE 6      FIREFIGHTERS RETIREMENT SYSTEM (continued)**

Valuation Date	June 30, 2020
Actuarial cost method	Entry Age Normal
<b>Actuarial cost assumptions:</b>	
Expected remaining service lives	7 years, closed period
Investment rate of return	7.00% per annum
Inflation rate	2.50% per annum
Salary increases	Vary from 14.10% in the first two years of service to 5.20% with 3 or more years
Cost of Living Adjustments	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included

The mortality rate assumptions were updated in fiscal year 2020 to reflect changes from the recent experience study and rates set in the Pub-2010 Public Retirement Plans mortality tables, as compared to the RP-2000 Combined Healthy and Disabled Lives Mortality Table that were used for the previous valuation. For the June 30, 2020 valuation, assumptions for mortality rates were based on the following:

- For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.
- For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.
- For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees.
- In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation, 2.50%.

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**NOTE 6      FIREFIGHTERS RETIREMENT SYSTEM (continued)**

Best estimates of arithmetic real rates of return for each major class includes in the System's target asset allocation as of June 30, 2020, are summarized in the following table:

<b>Asset Type</b>	<b>Target Asset Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Equities-US Equity	26.00%	5.72%
Equities-Non-US Equity	12.00%	6.24%
Equities-Global Equity	10.00%	6.23%
Equity – Emerging Market	6.00%	8.61%
Fixed Income-US Core	26.00%	1.00%
Fixed Income-Emerging Market Debt	5.00%	3.40%
Multi-Asset Strategies-Global Tactical	0.00%	4.22%
Multi-Asset Strategies-Risk Parity	0.00%	4.22%
Alternatives-Real Estate	6.00%	4.20%
Alternatives-Private Equity	9.00%	10.29%
Totals	100.00%	
Discount Rate		7.00%

**SENSITIVITY OF THE CHANGES IN DISCOUNT RATE** - The following presents the net pension liabilities of the participating employers calculated using the discount rate as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate as of June 30, 2020.

	<b>1% Decrease 6.00%</b>	<b>Current Discount Rate 7.00%</b>	<b>1% Increase 8.00%</b>
Net Pension Liability	\$929,365	\$ 643,386	\$ 404,678

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the Parishes of Terrebonne and Lafourche, State of Louisiana**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**NOTE 7      POST EMPLOYMENT HEALTHCARE BENEFITS**

The District has implemented Governmental Accounting Standards Board (GASB) Statement 75 which increases the reporting and disclosure requirements for other post-employment benefits (OPEB). The standards require state and local governments to recognize net OPEB liabilities directly in their financial statements, as a means of more effectively disclosing exactly what these benefits are meant to provide. Plan information, including actuarial valuation information and funding status, can be found in the annual financial report of Terrebonne Parish Consolidated Government.

**Plan Description.** The TPCG administers a single employer defined benefit healthcare plan (the Plan). The Plan provides for the payment of medical, dental and life insurance premiums to eligible employees, retirees and their dependents as approved by the Board of Commissioners. The District funds the entire premium for all benefits on all employees.

District employees retiring with at least ten years of permanent full-time creditable service with the District shall be eligible to participate in the Plan approved by the Board of Commissioners under the following vesting schedule: 1 to 15 years of service, 2.75% per year; 16 to 20 years of service, 41.25 % plus 3.75% per year of service between 16 and 20; 21 years or more of service, 60% plus 5% per year of service over 21, limited to 85% of the premium. A retired employee may provide dependent hospitalization coverage at applicable dependent rates.

Terrebonne Parish Consolidated Government contracts with an actuarial consultant to provide an actuarial valuation of the OPEB liability under GASB Statement 75, which requires at least biennial valuations for plans with membership over 200, unless significant changes since the last valuation. The most recent OPEB liability actuarial valuation was completed for the plan year that ended December 31, 2020.

**Benefits Provided.** The Parish maintains the following benefits covering eligible active and retire employees and their dependents.

- Self-funded health coverage
  - Standard plan
  - Premium plan
- Self-funded dental coverage
- Fully insured group term life insurance
- Beginning January 1, 2019, a fully insured Medicare Advantage plan for Medicare-eligible retirees

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the Parishes of Terrebonne and Lafourche, State of Louisiana**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**NOTE 7      POST EMPLOYMENT HEALTHCARE BENEFITS (continued)**

For hire dates prior to January 1, 2013, to be eligible for coverage after retirement, employees were required to have ten years of service with the Parish and be eligible for retirement under one of the state retirement systems.

Effective for all employees hired on or after January 1, 2013, the Parish changed the eligibility requirements. For MPERS and FRS employees, benefits will be available to those eligible with twenty-five years of service and age 55. For all other employees, a retiring employee must have thirty years of service and age 55.

For employees who were hired prior to January 1, 2013 and retired prior to 2005, the Parish implemented a contribution structure that varies based on the years of service at retirement. The current Parish subsidy percentages vary between 10 years of service of 27.50% and 25+ years of 80%. For those who retired after 2005, the Parish subsidy is 80%.

**Employees covered by benefit terms.** At December 31, 2020, the following employees were covered by the benefit terms of the plan:

Inactive employees or beneficiaries currently receiving benefit payments	249
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	930
	<hr/>
	1,179

**Contribution Rates.** Employees do not contribute to their post-employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

**Total OPEB Liability.** The District's total OPEB liability of \$240,266 measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the Parishes of Terrebonne and Lafourche, State of Louisiana**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**NOTE 7 POST EMPLOYMENT HEALTHCARE BENEFITS (continued)**

**Actuarial Assumptions and other inputs.**

The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	December 31, 2020
Actuarial Valuation Date	January 1, 2020
Inflation	2.5%
Salary increases	3.0%, including inflation
Discount rate	2.00%,
Prior year discount rate	2.75%

The discount rate was based on December 31, 2020 Fidelity General Obligation AA 20-Year Yield. Mortality rates for active employees were based on the PubG.H-2010 (general) and PubS.H-2010 (public safety) Employee Mortality Table, Generational with Projection Scale MP-2020 for males or females, as appropriate.

Mortality rates for retirees were based on the PubG.H-2010 (general) and PubS.H-2010 (public safety) Healthy Retiree Mortality Tables, Generational with Projection Scale MP-2020 for males or females, as appropriate.

**Changes in the Total OPEB Liability (Asset).** The table below reflects the Net Other Post-employment Benefit (OPEB) Obligation (Asset):

Beginning Net OPEB Obligation 12/31/2019	\$297,088
Service Cost	7,063
Interest	8,141
Changes of benefit terms	(5,202)
Differences between expected and actual experience	(35,648)
Changes in assumptions	(25,644)
Benefit payments	(5,532)
Net Change in OPEB Obligation	(56,822)
Ending Net OPEB Obligation 12/31/2020	<u>\$240,266</u>

**FIRE PROTECTION DISTRICT NO. 6**  
**Of the Parishes of Terrebonne and Lafourche, State of Louisiana**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**NOTE 7 POST EMPLOYMENT HEALTHCARE BENEFITS (continued)**

**Sensitivity of the total OPEB liability to changes in the discount rate and healthcare trend rates.** The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.0%) or 1-percentage-point higher (3.0%) than the current discount rate.

	1.0% Decrease	Current Discount Rate	1.0% Increase
Total OPEB liability	\$ 289,143	\$240,266	\$202,660
Healthcare Cost Trend Rates	\$ 198,603	\$297,088	\$296,885

The District's proportionate share of the aggregate plan OPEB expense was \$11,763.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Experience	\$ 5,473	\$(29,644)
Assumption changes	32,632	(28,370)
Deferred Amounts	18,126	(3,620)
Total	\$56,231	\$(61,634)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending December 31:	
2021	\$(3,267)
2022	\$(3,267)
2023	\$(3,267)
2024	\$(13,149)

**Note 8 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the District participates in the Parish's risk management program for general liability, workers' compensation, group insurance, property and auto liability. No settlements were made during the year that exceeded the insurance coverage. The Parish handles all claims filed against the District.



**FIRE PROTECTION DISTRICT NO. 6**  
**Of the Parishes of Terrebonne and Lafourche, State of Louisiana**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**Note 9      COMPENSATION OF BOARD MEMBERS**

Board Member per diem payments are included in salaries and benefits on the financial statements. Compensation was paid to Board Members during the current year as follows:

Board Member	Per Diem
Michelle A. Chaisson	\$ 300
Maryetta Ellender	300
Curvin Chauvin	210
Alcee Dupre, Jr.	300
Kevin Belanger	180
Gale LeBoeuf	240
Grant J. Dupre	300
	\$ 1,830

***REQUIRED SUPPLEMENTAL  
INFORMATION***

**FIRE PROTECTION DISTRICT NO. 6  
OF THE PARISHES OF TERREBONNE AND LAFOURCHE**

Budget Comparison Schedule - General Fund  
For the Year Ended December 31, 2020

	Budgets		Actual	Variance
	Original	Amended		Favorable (Unfavorable)
<b>REVENUES</b>				
Ad Valorem Taxes	\$815,116	\$790,470	\$789,470	\$ (1,000)
Intergovernmental:				
State of Louisiana:				
State Revenue Sharing	10,800	10,413	10,413	-
Fire Insurance Tax	18,500	18,500	18,499	(1)
Facility Rentals	1,000	-	-	-
Interest	14,000	6,520	6,519	(1)
Miscellaneous	1,000	22,920	9,479	(13,441)
<b>TOTAL REVENUES</b>	<b>860,416</b>	<b>848,823</b>	<b>834,380</b>	<b>(14,443)</b>
<b>EXPENDITURES</b>				
Public safety - current:				
Salaries and benefits	427,500	447,620	436,085	11,535
Office operations	7,450	2,400	1,698	702
Uniforms and Bunker Gear	17,000	12,000	11,950	50
General Government	25,000	26,705	26,705	-
Gasoline, Diesel & Oil	9,000	6,500	6,455	45
Operating supplies	13,500	8,500	8,329	171
Utilities	22,000	20,000	19,076	924
Telephone & Communication	10,000	15,000	15,583	(583)
Insurance	70,000	83,731	74,740	8,991
Licenses & Permits	366	975	975	-
2% Fire Insurance Rebate	12,000	6,500	4,523	1,977
Volunteer response and training	4,500	4,500	4,400	100
E-911 Fire Dispatch Services	4,700	4,685	4,685	-
Professional service fees	26,700	27,440	34,480	(7,040)
Publish Proceedings/Class Ads	1,500	700	684	16
Travel & Training	12,000	9,500	8,887	613
Membership dues	1,000	2,000	1,898	102
Bank Charges	900	900	937	(37)
Repairs and maintenance	73,300	69,285	70,222	(937)
Total public safety - current	738,416	748,941	732,312	5,094
Capital expenditures	112,000	83,000	73,964	9,036
<b>TOTAL EXPENDITURES</b>	<b>850,416</b>	<b>831,941</b>	<b>806,276</b>	<b>14,130</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>10,000</b>	<b>16,882</b>	<b>28,104</b>	<b>11,222</b>
<b>FUND BALANCES</b>				
Beginning of year	566,758	624,254	624,254	-
End of year	<u>\$576,758</u>	<u>\$641,136</u>	<u>\$652,358</u>	<u>\$11,222</u>

**Notes to budget comparison schedule:**

**1 Basis of Accounting**

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

**2 Budgetary Practices**

The District prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

**FIRE PROTECTION DISTRICT NO. 6  
OF THE PARISHES OF TERREBONNE AND LAFOURCHE**

Schedule of Employer's Share of Net Pension Liability  
December 31, 2020

**Year Ended June 30	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset) (a)	Employer's Covered Employee Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2020	0.092820%	\$ 643,386	\$ 233,102	276%	72.61%
2019	0.093348%	\$ 584,537	\$ 220,593	265%	73.96%
2018	0.094790%	\$ 545,239	\$ 215,579	253%	74.76%
2017	0.087954%	\$ 504,139	\$ 225,309	224%	73.50%
2016	0.081266%	\$ 531,553	\$ 170,305	312%	68.20%
2015	0.080498%	\$ 434,457	\$ 164,197	265%	72.45%

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

\*\* The amounts presented have a measurement date of June 30th

**Notes to Retirement System Schedules:**

**Changes of Benefit Terms**

6/30/2016	NO CHANGE
6/30/2017	NO CHANGE
6/30/2018	NO CHANGE
6/30/2019	NO CHANGE
6/30/2020	NO CHANGE

**Changes of Assumptions**

	Actuarial cost method	Inflation rate	Discount rate- Investment ROR	Salary increases vary from 15.0% in first two years to 4.75% with 25 or more years	Expecting remaining service lives
6/30/2015	Entry Age Normal	2.88%	7.50%	15.0% in first two years to 4.75% with 25 or more years	7 years
6/30/2016	Entry Age Normal	2.88%	7.50%	no change	7 years
6/30/2017	Entry Age Normal	2.78%	7.40%	no change	7 years
6/30/2018	Entry Age Normal	2.70%	7.30%	no change vary from 14.75% in first two years to 4.50% with 25 or more years	7 years
6/30/2019	Entry Age Normal	2.70%	7.15%	14.10% in first two years to 5.20% with 3 or more years	7 years, closed period
6/30/2020	Entry Age Normal	2.50%	7.00%		

**FIRE PROTECTION DISTRICT NO. 6**  
**OF THE PARISHES OF TERREBONNE AND LAFOURCHE**  
Schedule of Employer Contributions  
December 31, 2020

**Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2020	\$ 64,126	\$ 64,297	\$ (171)	\$ 233,102	27.58%
2019	\$ 59,787	\$ 59,277	\$ 510	\$ 220,593	26.87%
2018	\$ 59,805	\$ 59,805	\$ -	\$ 215,579	27.74%
2017	\$ 58,463	\$ 58,463	\$ -	\$ 225,309	25.95%
2016	\$ 50,237	\$ 50,237	\$ -	\$ 225,309	22.30%
2015	\$ 48,064	\$ 48,064	\$ -	\$ 170,305	28.22%

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

\*\* The amounts presented have a measurement date of June 30th

**Notes to Retirement System Schedules:**

**Changes of Benefit Terms**

6/30/2016	NO CHANGE
6/30/2017	NO CHANGE
6/30/2018	NO CHANGE
6/30/2019	NO CHANGE

**Changes of Assumptions**

	Actuarial cost method	Inflation rate	Discount rate- Investment ROR	Salary increases vary from 15.0% in first two years to 4.75% with 25 or more years	Expecting remaining service lives
6/30/2015	Entry Age Normal	2.88%	7.50%	15.0% in first two years to 4.75% with 25 or more years	7 years
6/30/2016	Entry Age Normal	2.88%	7.50%	no change	7 years
6/30/2017	Entry Age Normal	2.78%	7.40%	no change	7 years
6/30/2018	Entry Age Normal	2.70%	7.30%	no change vary from 14.75% in first two years to 4.50% with 25 or more years	7 years
6/30/2019	Entry Age Normal	2.70%	7.15%	14.10% in first two years to 5.20% with 3 or more years	7 years
6/30/2020	Entry Age Normal	2.50%	7.00%	5.20% with 3 or more years	closed period

**FIRE PROTECTION DISTRICT NO. 6  
OF THE PARISHES OF TERREBONNE AND LAFOURCHE  
REQUIRED SUPPLEMENTAL INFORMATION  
Schedule of Changes in the Total OPEB Liability and Related Ratios**

Measurement Date Actuarial Valuation Date	December 31, 2018 January 1, 2018	December 31, 2019 January 1, 2018	December 31, 2020 January 1, 2020
<b>Total OPEB Liability</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Service Cost	\$ 9,605	\$ 4,637	\$ 7,063
Interest	\$ 13,996	\$ 6,320	\$ 8,141
Change in benefit terms	\$ (209,821)	\$ 21,592	\$ (5,202)
Differences between expected and actual experience	\$ (2,076)	\$ 9,284	\$ (35,648)
Changes in assumptions or other inputs	\$ (14,483)	\$ 55,356	\$ (25,644)
Benefit payments	\$ (5,822)	\$ (7,649)	\$ (5,532)
Net Change in Total OPEB Liability	\$ (208,601)	\$ 89,540	\$ (56,822)
<b>Total OPEB Liability-beginning</b>	<b>\$ 416,149</b>	<b>\$ 207,548</b>	<b>\$ 297,088</b>
<b>Total OPEB Liability-ending</b>	<b>\$ 207,548</b>	<b>\$ 297,088</b>	<b>\$ 240,266</b>
Covered Employee Payroll	\$ 239,498	\$ 250,328	\$ 251,794
Total OPEB Liability as a percentage of covered employee payroll	86.66%	118.68%	95.42%

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

**Notes to Retirement System Schedules:**

		Effective 1/1/2019, a Medicare Advantage Plan was introduced as an option for eligible retirees.	
<b>Changes of Benefit Terms.</b>	No changes		No changes
<b>Changes of Assumptions.</b>			
Inflation	NOT LISTED	2.500%	2.500%
Salary Increases, including inflation	3.000%	3.000%	3.000%
Discount rate	3.710%	2.750%	2.000%
Mortality Rate Scale	MP-2018	MP-2019	MP-2020

## ***OTHER INFORMATION***

**FIRE PROTECTION DISTRICT NO. 6**  
**OF THE PARISHES OF TERREBONNE AND LAFOURCHE**  
Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2020

**Agency Head Name:** Toby Henry, District Fire Chief

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 66,037
Supplemental Pay	\$ 6,000
Benefits-insurance	\$ 17,041
Benefits-retirement	\$ 21,611
Deferred compensation (contributions made by the agency)	\$ -
Benefits-other (Volunteer Incentive Pay)	\$ 200
Car allowance	\$ -
Vehicle provided by government (enter amount reported on W-2 adjusted for various fiscal years)	\$ -
Cell phone	\$ -
Dues	\$ -
Vehicle rental	\$ -
Per diem meals for conference	\$ -
Reimbursements-Medical Supplies	\$ -
Travel	\$ -
Registration fees	\$ -
Conference travel	\$ -
Housing	\$ -
Unvouchered expenses (example: travel advances, etc.)	\$ -
Special meals	\$ -
Other (including payments made by other parties on behalf of the agency head)	\$ -

***This form is used to satisfy the reporting requirement of R.S. 24:513(A)(3) on Supplemental Reporting***



***REPORTS REQUIRED BY  
GOVERNMENT AUDITING  
STANDARDS***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## **Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Commissioners of  
Fire Protection District No. 6  
Of the Parishes of Terrebonne and Lafourche

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 the Fire Protection District No. 6, Of the Parishes of Terrebonne and Lafourche, a component unit of Terrebonne Parish Consolidated Government as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated May 4, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 misstatements on a timely basis. A *material weakness* is a deficiency or 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.

To the Board of Commissioners  
Fire Protection District No. 6  
Of the Parishes of Terrebonne and Lafourche  
Page 2

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Fire Protection District No. 6's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

Thibodaux, LA  
May 4, 2021

