

LIVINGSTON PARISH FIRE PROTECTION DISTRICT No.10
LIVINGSTON, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2019



**Hebert Johnson
& Associates, Inc.**
Certified Public Accountants

A Professional Accounting Corporation

Livingston Parish Fire Protection District No. 10
Holden, Louisiana
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As of and for the Year Ended December 31, 2019

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Independent Accountant's Review Report

To the Board of Commissioners
Livingston Parish Fire Protection District No. 10
Holden, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of Livingston Parish Fire Protection District No. 10, a component unit of the Livingston Parish Council, as of and for the year ended December 31, 2019, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review 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 accordance with accounting principles generally accepted in the United States of America.

Other Matter Paragraph(s)

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison on page 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in 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 any assurance on it.

Management has omitted the Management's Discussion and Analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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.

Respectfully submitted,

Phil Hebert

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Albany, Louisiana
August 24, 2020

Basic Financial Statements

Government – Wide Financial Statements

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

Statement A

**Statement of Net Position
December 31, 2019**

	<u>Governmental Activities</u>
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 126,110
Investments	155,000
Ad Valorem Taxes Receivable, Net of Uncollectible Allowance	188,968
State Revenue Sharing Receivable	4,864
Prepaid Insurance	10,428
Total Current Assets	<u>485,370</u>
Capital Assets	
Land	14,983
Capital Assets, Net	842,599
Total Capital Assets	<u>857,582</u>
Total Assets	<u>1,342,952</u>
Liabilities	
Current Liabilities:	
Accounts Payable	22,688
Pension Fund Payable	7,550
Total Current Liabilities	<u>30,238</u>
Total Liabilities	<u>30,238</u>
Net Position	
Net Investment in Capital Assets	857,582
Unrestricted	455,132
Total Net Position	<u>\$ 1,312,714</u>

See accompanying notes and independent accountant's review report.

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

Statement B

**Statement of Activities
For the Year Ended December 31, 2019**

	General Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Change in Net Position Governmental Activities
Governmental Activities			
General Government			
Public Safety	\$ 202,898	\$ -	\$ (202,898)
Total Governmental Activities	\$ 202,898	\$ -	\$ (202,898)
General Revenues			
Ad Valorem Tax Revenue			198,620
State Revenue Sharing			14,532
Fire Insurance Premium Rebate			23,849
Insurance Reimbursement			10,205
Other Income			479
Interest Income			40
Total General Revenues			247,725
Change in Net Position			44,827
Net Position - Beginning of the Year			1,267,887
Net Position - End of the Year			\$ 1,312,714

See accompanying notes and independent accountant's review report.

Basic Financial Statements

Fund Financial Statements

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

Statement C

**Governmental Fund – Balance Sheet
December 31, 2019**

	<u>General Fund</u>
Assets	
Cash and Cash Equivalents	\$ 126,110
Investments	155,000
Ad Valorem Taxes Receivable, Net of Uncollectible Allowances	188,968
State Revenue Sharing Receivable	4,864
Prepaid Insurance	10,428
Total Assets	<u>\$ 485,370</u>
 Liabilities and Fund Balance	
Liabilities:	
Accounts Payable	\$ 22,688
Pension Funds Payable	7,550
Total Liabilities	<u>30,238</u>
 Fund Balances:	
Nonspendable, Prepaid Insurance	10,428
Unassigned	444,704
Total Fund Balance	<u>455,132</u>
 Total Liabilities and Fund Balance	 <u>\$ 485,370</u>

See accompanying notes and independent accountant's review report.

**Livingston Parish Fire Protection District No. 10
Albany, Louisiana**

Statement D

**Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
For the Year Ended December 31, 2019**

Total Fund Balance, Governmental Funds (Statement C)	\$ 455,132
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Depreciation	857,582
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Net Position of Governmental Activities (Statement A)	\$ <u>1,312,714</u>
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See accompanying notes and independent accountant's review report.

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

Statement E

**Statement of Governmental Fund Revenues, Expenditures, and
Change in Fund Balance
For the Year Ended December 31, 2019**

	<u>General Fund</u>
Revenues	
Ad Valorem Tax Revenue	\$ 198,620
State Revenue Sharing	14,532
Fire Insurance Premium Rebate	23,849
Other Income	479
Interest Income	40
Total Revenues	<u>237,520</u>
Expenditures	
Public Safety	
Fire Fighting Equipment & Training	16,010
First Responder Equipment & Training	20,670
Insurance	39,126
Miscellaneous	433
Office Equipment & Supplies	362
Pension Fee	7,550
Professional Services	7,844
Property & Building Maintenance	3,669
Truck Maintenance	7,149
Utilities	11,267
Capital Outlay	99,210
Total Expenditures	<u>213,290</u>
Excess (Deficiency) of Revenues Over Expenditures	24,230
Other Financing Sources:	
Insurance Reimbursement	10,205
Total Other Financing Sources	<u>10,205</u>
Net Change in Fund Balance	<u>34,435</u>
Fund Balance - Beginning of the Year	420,697
Fund Balance - End of the Year	<u><u>\$ 455,132</u></u>

See accompanying notes and independent accountant's review report.

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

Statement F

**Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and
Change in Fund Balance of to the Government-Wide Statement of Activities
For the Year Ended December 31, 2019**

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ 34,435
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Expenditures for capital assets:	
Capital Outlay	99,210
Less:	
Current year depreciation	(88,818)

Change in Net Position of Governmental Activities (Statement B)	\$ <u>44,827</u>
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See accompanying notes and independent accountant's review report.

Livingston Parish Fire Protection District No. 10
Notes to the Financial Statements
As of and for the Year Ended December 31, 2019

Introduction

Livingston Parish Fire Protection District No. 10, (“the District”), is a corporate body created by the Livingston Parish Council, as provided by Louisiana Revised Statutes R.S. 38:1751, et. seq. The District is governed by a board of five commissioners who are appointed by the Livingston Parish Council. The District was created for the purpose of providing fire protection and prevention to District 10 of the parish of Livingston. The District is located in Holden, Louisiana.

The financial statements of the District have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

Governmental Accounting Standards Board (GASB) Statement No. 14, as amended, establishes criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Livingston Parish Fire Protection District No. 10 is considered a component unit of the Livingston Parish Council. As a component unit, the accompanying financial statements are to be included within the reporting of the primary government, either blended within those financial statements or separately reported as a discrete component unit. Under provisions of this statement, there are no component units of the District.

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements of the Livingston Parish Fire Protection District No. 10 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. These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management’s Discussion and Analysis, for State and Local Governments*, as amended. Statement No. 34 established standards for financial reporting, with presentation requirements originally including a statement of net position (or balance sheet), and a statement of activities. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are as amended by GASB Statements included in the following paragraphs. The District has also adopted the provisions of GASB Statement No. 33, *Accounting and Financially Reporting for Nonexchange Transactions*, that requires capital contributions to the District to be presented as a change in net position. Management has elected to omit the management’s discussion and analysis.

GASB Statement No. 63, *Financially Reporting of Deferred Outflows, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net position by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net position by the government that is applicable to a future reporting

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position.

This statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Note 1J – Net Position and Fund Balance*.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

The District did not have any deferred outflows or deferred inflows of resources at December 31, 2019.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the District. 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. Likewise, a primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The District does not have any business-type activities and reports only governmental activities. The District has no component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grant contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are presented as separate columns in the fund financial statements. The General Fund is the District’s primary operating fund and is considered the only major fund. It is used to account for all financial resources except those required to be accounted for in another fund. At December 31, 2019, it is the only fund of the District.

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 at the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period if they are measurable and available. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Substantially all other revenue items are considered to be measurable and available only when cash is received by the government.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) program-specific operating grants and contributions; and, 3) program-specific capital grants and contributions. The District has no program revenue for the year ending December 31, 2019. Internally dedicated resources, if any, are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

When restricted, committed, assigned, or unassigned fund balances are available for use, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds as needed, unless it has been provided for otherwise in the restriction, commitment, or assignment action.

D. Budgets and Budgetary Accounting

Budgetary procedures applicable to the District are defined in state law, Louisiana Revised Statutes 39:1301-15. The budget is adopted on the cash basis of accounting.

1. The District adopts a budget each year for the general fund.

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

2. The District's Fire Chief prepares a proposed budget and submits it to the Board of Commissioners no later than fifteen days prior to the beginning of each fiscal year. At the same time, if total proposed expenditures are \$500,000 or more, a notice of public hearing on the proposed budget must be published in the official journal. The proposed expenditures were less than \$500,000; therefore, a public hearing was not required.
3. All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year. The budget was adopted on December 20, 2018.
4. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Commissioners. The budget was amended on December 19, 2019.
5. Formal budgetary integration is not employed; however, periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the revised adopted budget amounts. The amounts are reconciled to the amounts reflected on the budget comparison statements as follows:

Net Change in Fund Balance (Statement E)	\$ 34,435
Add: Prior Year Receivables	178,229
Prior Year Prepaid Insurance	12,789
Current Year Payables	30,238
Less: Current Year Receivables	(193,832)
Current Year Prepaid Insurance	(10,428)
Prior Year Payables	(23,397)
Net Change in Budgetary Fund Balance (Schedule 1)	\$ 28,034

E. Cash, Cash Equivalents, and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Under State law, the District may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In addition, the District may invest in United States bonds, treasury notes, or certificates.

In accordance with state law, the District limits its investments to those allowed under R.S. 33:2955. Certificates of deposit are classified as investments if their original maturities exceed 90 days. Investments are reported at fair market.

F. Inventory

Inventories for supplies are immaterial and are recorded as expenditures when purchased. The District did not have inventory at year end December 31, 2019.

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. Capital Assets

Capital assets, which include property, furniture and fixtures, equipment, and vehicles, are reported as expenditures of the governmental funds and as assets in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. As of December 31, 2019, the District did not have a formal capitalization policy establishing a capitalization/expense threshold.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are recorded in the Statement of Net Position and Statement of Activities. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	10 - 40 Years
Equipment	5 - 10 Years
Furniture and Fixtures	5 - 10 Years
Vehicles	5 - 15 Years

I. Compensated Absences

As of December 31, 2019, all District employees are volunteers. Accordingly, the District has no plan or provision for accumulated leave, pension plan, or other post-employment benefits.

J. Net Position and Fund Balance

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required classification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position** – The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisitions,

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

- **Restricted Component of Net Position** – The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- **Unrestricted Component of Net Position** – The *unrestricted* of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the fund statements, governmental fund equity is classified as fund balance. The District adopted GASB 54 for the year ended December 31, 2011. As such, fund balances of governmental funds are classified as follows:

- **Nonspendable.** These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted.** These are amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed.** These are amounts that can be used only for the specific purposes determined by a formal vote of the Board, which is the highest level of decision making authority for the District.
- **Assigned.** These are amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes based on the discretion of the Board.
- **Unassigned.** – These are amounts that have not been assigned to other funds and amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. Also within other governmental funds, these include expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed or assigned for those purposes.

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make various estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

M. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balance and the government-wide statement of activities presented in Statement F of the basic financial statements.

2. Levied Taxes

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage
General Fund	11.100	\$ 194,296

Ad valorem taxes attach as an enforceable lien on property on January 1 each year. Taxes are levied by the District during the year, are billed to taxpayers, and become due in November. Billed taxes become delinquent on December 31 of each year. Revenues from ad valorem taxes are budgeted in the year billed and recognized as revenue when billed. The Livingston Parish Sheriff's Office bills and collects the property taxes using the assessed value determined by the Livingston Parish Tax Assessor. The taxes are generally collected in December of the current year and January and February of the ensuing year. For 2019, the District levied 11.100 mills for a total tax levy of \$194,296 on taxable property valuation totaling \$17,504,130.

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

3. Cash and Cash Equivalents

At December 31, 2019, the District has deposits (book balances) as follows:

Non-Interest Bearing Demand Deposits	\$	126,110
Total	\$	<u><u>126,110</u></u>

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

Custodial credit risk as it relates to cash deposits is the risk that in the event of bank failure, the government's deposits may not be returned. At December 31, 2019, the District has \$281,110 in interest bearing demand and time deposits (collected bank balances), consisting of \$126,109 in non-interest bearing demand deposits and \$155,000 in certificates of deposit. The certificates of deposit and demand deposits are secured from risk by \$281,110 of federal deposit insurance. The District does not have a custodial credit risk policy.

4. Investments

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the District or its agent in the District's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the District's name

In the current year, the District held \$155,000 in a certificate of deposit and is considered a category 1 type of investment.

5. Receivables

The governmental funds receivables are all current at December 31, 2019 and consist of the following:

	General Fund		Total
Ad Valorem Taxes	\$ 194,296	\$	194,296
State Revenue Sharing	4,864		4,864
Subtotal	<u>199,160</u>		<u>199,160</u>
Allowance for Uncollectible Accounts	(5,328)		(5,328)
Receivable, Net	<u><u>\$ 193,832</u></u>	\$	<u><u>193,832</u></u>

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

5. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2019 for governmental activities are as follows:

Governmental Activities Capital Assets:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Depreciated:				
Land	\$ 14,983	\$ -	\$ -	\$ 14,983
Total Capital Assets Not Being Depreciated:	<u>14,983</u>	<u>-</u>	<u>-</u>	<u>14,983</u>
Capital Assets Being Depreciated				
Buildings	308,085	7,300	-	315,385
Equipment and Vehicles	969,444	91,910	-	1,061,354
Furniture and Fixtures	237,549	-	-	237,549
Total Other Capital Assets	<u>1,515,078</u>	<u>99,210</u>	<u>-</u>	<u>1,614,288</u>
Less: Accumulated Depreciation for:				
Buildings	(148,884)	(10,763)	-	(159,647)
Equipment and Vehicles	(325,111)	(75,777)	-	(400,888)
Furniture and Fixtures	(208,876)	(2,278)	-	(211,154)
Total Accumulated Depreciation	<u>(682,871)</u>	<u>(88,818)</u>	<u>-</u>	<u>(771,689)</u>
Total Capital Assets Being Depreciated, Net	<u>832,207</u>	<u>10,392</u>	<u>-</u>	<u>842,599</u>
Total Governmental Activities Capital Assets, Net	\$ <u>847,190</u>	\$ <u>10,392</u>	\$ <u>-</u>	\$ <u>857,582</u>

6. Leases

At December 31, 2019 the District does not have any capital or operating leases.

7. Risk Management

The District is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The District maintains commercial insurance policies for the claims related to the aforementioned risks. The District's payment of the insurance policy deductible is the only liability associated with these policies.

8. Contingent Liabilities

The District was not involved in any outstanding litigation or claims at December 31, 2019.

Livingston Parish Fire Protection District No. 10
Notes to Financial Statements
As of and for the Year Ended December 31, 2019

9. Compensation Paid to Board Members

In accordance with house Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, the District is required to present a schedule of per diem payments to Board members. As authorized by LRS 40:1498, each member of the Board shall be reimbursed \$30 for attending meetings of the board, not to exceed two meetings in any one calendar month, and may be reimbursed any expenses incurred in performing duties imposed upon them by virtue of their serving as members. Currently, the District does not pay compensation to board members.

10. Subsequent Events

Subsequent events have been evaluated by management through August 24, 2020, the date financial statements were available for issuance. No events require disclosure in the financial statements for the year ending December 31, 2019.

Required Supplemental Information:
Budgetary Comparison Schedule

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

Schedule 1

**Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – General Fund
For the Year Ended December 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts Cash Basis</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues				
Ad Valorem Tax Revenue	\$ 169,000	\$ 171,077	\$ 176,074	\$ 4,997
State Revenue Sharing	17,000	17,000	14,532	(2,468)
Fire Insurance Premium Rebate	30,000	24,633	23,849	(784)
Other Income	1,000	1,000	479	(521)
Interest Income	-	-	40	40
Total Revenues	<u>217,000</u>	<u>213,710</u>	<u>214,974</u>	<u>1,264</u>
Expenditures				
Public Safety				
Fire Fighting Equipment & Training	25,000	28,979	16,010	12,969
First Responder Equipment & Training	25,000	25,000	20,670	4,330
Insurance	30,000	37,549	36,765	784
Miscellaneous	1,500	1,500	433	1,067
Office Equipment & Supplies	4,000	4,000	506	3,494
Professional Services	5,000	8,454	7,844	610
Property & Building Maintenance	15,000	15,000	3,669	11,331
Truck Maintenance	25,000	25,000	22,067	2,933
Utilities	10,000	10,000	11,225	(1,225)
Capital Outlay	100,000	100,000	77,956	22,044
Total Expenditures	<u>240,500</u>	<u>255,482</u>	<u>197,145</u>	<u>58,337</u>
Excess (Deficiency) of Revenues Over Expenditures	(23,500)	(41,772)	17,829	59,601
Other Financing Sources:				
Insurance Reimbursement	-	10,205	10,205	-
Total Other Financing Sources	<u>-</u>	<u>10,205</u>	<u>10,205</u>	<u>-</u>
Net Change in Cash and Investments	(23,500)	(31,567)	28,034	59,601
Budgetary Fund Balance Beginning	<u>163,188</u>	<u>198,965</u>	<u>253,076</u>	<u>-</u>
Budgetary Fund Balance Ending	<u>\$ 139,688</u>	<u>\$ 167,398</u>	<u>\$ 281,110</u>	<u>\$ 59,601</u>

See independent accountant's review report.

Other Supplemental Information

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

Schedule 2

**Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2019**

Agency Head Name: Brian Berthelot, President

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Employer Paid Medicare & Social Security	-
Travel	-
Registration Fees	-
Other Payments	-
	<u>\$ -</u>

See independent accountant's review report.

**Independent Accountant's Report on
Applying Agree-Upon Procedures**

CHARLES P. HEBERT, CPA

CHRISTOPHER S. JOHNSON, CPA, MBA

ADAM C. HEBERT, CPA

MEMBER

American Institute of Certified Public Accountants

Society of Louisiana Certified Public Accountants



**Hebert Johnson
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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners
Livingston Parish Fire Protection District No. 10
Holden, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Livingston Parish Fire Protection District No. 10 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Livingston Parish Fire Protection District No. 10's compliance with certain laws and regulations during the year ended December 31, 2019 included in the accompanying Louisiana Attestation Questionnaire. Management of Livingston Parish Fire Protection District No. 10 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 this 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 materials 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.

The District purchased a vehicle for \$35,912. The District purchased the vehicle through an existing public contract of another political subdivision.

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 R.S. 42:1101-1124 (the ethics law).

Management provided us with the requested information.

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

Management provided us with the requested information.

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

None of the employees included on the list of employees provided by management agreed-upon Procedure 3 appeared on the list provided by management in agreed-upon Procedure 2.

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 the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

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

Management provided us with a copy of the original budget 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.

We traced adoption of the original budget to documentation in the minutes of the meeting of the District's commissioners held on December 20, 2018 and the amended budget on December 19, 2019.

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 exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues. Actual expenditures did not exceed budgeted expenditures.

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 the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account.

All disbursements 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.

Each of the six disbursements selected were approved in accordance with management's policies and procedures.

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.

Management provided us with a copy of the agenda and advertised it as required by the open meetings law.

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.

I examined bank deposits 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.

We scanned payroll disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. We found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

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 dated and submitted timely in accordance with R.S. 24:513.

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 contracts that utilized any state funds.

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.

The District's prior year report included one finding in the previous year. This finding has been resolved. See Schedule of Prior Year Findings.

We were not engaged to perform, 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 Livingston Parish Fire Protection District No. 10 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.

Respectfully submitted,

Phil Hebert

Hebert Johnson & Associates, Inc.
A Professional Accounting Corporation
Albany, Louisiana
August 24, 2020

**Livingston Parish Fire Protection District No. 10
Holden, Louisiana**

**Schedule of Prior Year Findings
For the Year Ended December 31, 2019**

2018-1 Violation of Louisiana Local Government Budget Act

Condition:

The General Fund Budget for December 31, 2018 was not adopted until after December 31, 2017.

Recommendation:

We recommend the District start the budget process in November of each year to insure the budget is ready to be adopted before the start of the new fiscal year.

Resolved:

Fully

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

Feb. 24, 2020 (Date Transmitted)

Phil Hebert CPA
PO Box 1151
Ponchatoula, LA 70454

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2019 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.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and local grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lala.nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Yes No

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No

Reporting

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

Yes No

We did not enter 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).

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

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>Tracy North</u>	Secretary	<u>2/24/2020</u>	Date
<u>Tracy North</u>	Treasurer	<u>2/24/2020</u>	Date
<u>[Signature]</u>	President	<u>2/24/2020</u>	Date