

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**
Franklinton, Louisiana

*Annual Financial Statements
As of and for the Year
Ended December 31, 2019*

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

TABLE OF CONTENTS
December 31, 2019

	<u>Page</u>
INDEPENDENT ACCOUNTANTS' REVIEW REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-9
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	11
STATEMENT OF ACTIVITIES	12
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	14
RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET TO THE GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET POSITION.....	15
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS.....	16-17
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES.....	18
NOTES TO THE FINANCIAL STATEMENTS	20-29
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCE – BUDGET (CASH BASIS) AND ACTUAL – GENERAL FUND	31-32

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**
Franklinton, Louisiana

TABLE OF CONTENTS – CONTINUED
December 31, 2019

	<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION	
SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS	34
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEADS.....	35
OTHER REPORTS	
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES	37-40
LOUISIANA ATTESTATION QUESTIONNAIRE	41-43
SCHEDULE OF FINDINGS.....	44-45
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS	46

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Commissioners
Washington Parish Fire Protection District No. 1
Franklinton, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Washington Parish Fire Protection District No. 1 (the District), a component unit of the Washington Parish Government, 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 of the District 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.

Accountants' 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 and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. 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.

Accountants' 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of American require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 31 through 32, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the responsibility of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Other Information

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying Schedule of Compensation Paid to Board Members and Schedule of Compensation, Benefits, and Other Payments to Agency Heads is presented for purposes of additional analysis and is not a required part of the basic financial statements. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated June 26, 2020 on the results of our agreed-upon procedures on pages 37 through 40.

KUSHNER LAGRAIZE, L.L.C.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 26, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 1

Franklinton, Louisiana

Management's Discussion and Analysis

December 31, 2019

Introduction

Washington Parish Fire Protection District No. 1 (the District) is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standard Board Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments (hereinafter referred to as GASB 34)* and related standards.

The District's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position, (d) identify any significant variations from the District's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the District's financial statements.

Financial Highlights

- Total assets at December 31, 2019, were \$1,296,422 and exceeded liabilities by \$749,562 (i.e., net position). Of total net position, \$287,123 was unrestricted and available to support short-term operations, restricted net position of \$194,771 for debt service, and the balance of \$267,668 invested in capital assets net of related debt.
- Ad valorem taxes of \$218,236 increased 7% from 2018 due to an increase in the assessed value of taxable property.
- The District's debt at December 31, 2019 was \$535,000 compared to debt at December 31, 2018 of \$619,000. The decrease is due to the regular principal payment of \$84,000.

Overview of Annual Financial Report

Management's Discussion and Analysis (MD&A) serves as an introduction to basic financial statements and supplementary information. The MD&A presents an overview of management's examination and analysis of the District's financial condition and performance. The District's basic financial statements are comprised of three components: 1) government-wide statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

Management's Discussion and Analysis

December 31, 2019

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector businesses. These financial statements are reported using the full accrual accounting methods.

The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District'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.

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The modified accrual basis of accounting is used by the governmental funds.

Notes to Financial Statements. The notes to the financial statements provide required disclosures essential to the understanding of the financial statements. The notes present information about the District's accounting policies, significant account balances, account activities, commitments, contingencies and subsequent events, if any. Supplementary information includes a comparative budget schedule.

Financial Analysis

The purpose of financial analysis is to help determine whether the District is better off as a result of the current year's activities. In this analysis, data from two basic financial statements, the Statement of Net Position, and the Statement of Activities, is presented below in condensed format. These statements report the net position, the difference between assets and liabilities, and the change in net position, which provides information for indicating the financial condition of the District.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**
Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2019*

Condensed Statements of Net Position

	December 31, 2019	December 31, 2018	Dollar Change	Percent Change
Assets:				
Current and other assets	\$ 493,754	\$ 510,337	\$ (16,583)	(3.25)%
Capital assets	<u>802,668</u>	<u>851,821</u>	<u>(49,153)</u>	<u>(5.77)%</u>
Total Assets	<u>1,296,422</u>	<u>1,362,158</u>	<u>(65,736)</u>	<u>(4.83)%</u>
Liabilities:				
Current liabilities	101,860	93,393	8,467	9.07 %
Long-term liabilities	<u>445,000</u>	<u>535,000</u>	<u>(90,000)</u>	<u>(16.82)%</u>
Total Liabilities	<u>546,860</u>	<u>628,393</u>	<u>(81,533)</u>	<u>(12.97)%</u>
Net Position:				
Net investment in capital assets	267,668	232,821	34,847	14.97 %
Restricted	194,771	207,271	(12,500)	(6.03)%
Unrestricted	<u>287,123</u>	<u>293,673</u>	<u>(6,550)</u>	<u>(2.23)%</u>
Total Net Position	<u>\$ 749,562</u>	<u>\$ 733,765</u>	<u>\$ 15,797</u>	<u>2.15 %</u>

See page 11 for more detailed Statement of Net Position for the District.

Government-Wide review of the Condensed Statements of Net Position

The composition of net position and change in net position over time serves as a useful indicator of a government's financial position. The District's assets at fiscal year-end exceed liabilities by \$749,562 (net position). The balance of net position includes \$267,668 invested in capital assets, net of related debt, restricted net position of \$194,771 for debt service, and \$287,123 in unrestricted net position. The unrestricted net position is available to meet the ongoing needs of the District.

Capital assets, net of related debt, totaling \$267,668 or 36% of net position reflects the total invested in capital assets (land, buildings, equipment, etc.) net of any related debt used to acquire capital assets. These assets are used to provide services to citizens and do not represent assets available for future spending.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2019*

Condensed Statements of Activities

	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>Dollar Change</u>	<u>Percent Change</u>
General Revenues				
Ad valorem taxes	\$ 218,236	\$ 203,417	\$ 14,819	7.29 %
Other revenues	<u>14,363</u>	<u>17,242</u>	<u>(2,879)</u>	<u>(16.70) %</u>
Total Revenues	232,599	220,659	11,940	5.41 %
Program Expenses				
Operating expenses	141,149	127,963	13,186	10.30 %
Depreciation expense	<u>75,653</u>	<u>73,310</u>	<u>2,343</u>	<u>3.20 %</u>
Total Expenses	<u>216,802</u>	<u>201,273</u>	<u>15,529</u>	<u>7.72 %</u>
Change in Net Position	15,797	19,386	(3,589)	(18.51) %
Net Position, Beginning of Year	<u>733,765</u>	<u>714,379</u>	<u>19,386</u>	<u>2.71 %</u>
Net Position, End of Year	<u>\$ 749,562</u>	<u>\$ 733,765</u>	<u>\$ 15,797</u>	<u>2.15 %</u>

While the Statement of Net Position shows the change in financial position, the Statement of Activities provides answers to the nature and scope of these changes.

- Ad valorem taxes of \$218,236 are the most significant revenue source for the fiscal year ended December 31, 2019, at 94% of total revenues. The next largest revenue source is state revenue sharing and insurance rebates of \$14,363 (6% of total revenues).
- The major expense within the statement of activities is depreciation of \$75,653 (35% of total expenses), followed by insurance of \$27,500 (13%), repairs and maintenance of \$26,479 (12%), and professional fees of \$21,150 (10%).

Budgetary Highlight

The proposed budget for 2019 was presented and adopted at the board meeting. The budget is prepared on the cash basis of accounting, and all appropriations lapse at year-end. The District was in compliance with the State of Louisiana Local Budget Act.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2019*

Capital Assets

At the end of the fiscal year December 31, 2019, the District had \$26,500 purchases of capital assets. Depreciation of \$75,653 was recorded during the year ended December 31, 2019. Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statements. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful life:

Fire Stations	20-40 years
Fire Trucks and Other Trucks	5-15 years
Equipment, Furniture and Fixtures	5-15 years

Capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated assets are valued at fair market value on the date donated. The costs of all assets acquired prior to 1989 have been valued using estimated historical cost.

Capital asset activity for the year ended December 31, 2019:

	<u>January 1, 2019</u>	<u>December 31, 2019</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Land	\$ 33,404	\$ 33,404	\$ -	0.00 %
Depreciable assets	1,794,221	1,820,721	26,500	1.48 %
Less accumulated depreciation	<u>(975,804)</u>	<u>(1,051,457)</u>	<u>(75,653)</u>	<u>(7.75)%</u>
Net depreciable assets	<u>818,417</u>	<u>769,264</u>	<u>(49,153)</u>	<u>(6.01)%</u>
Net Capital Assets	<u>\$ 851,821</u>	<u>\$ 802,668</u>	<u>\$ (49,153)</u>	<u>(5.77) %</u>

Long-Term Debt

A schedule of changes in long-term debt:

	<u>Balance 1/1/2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/2019</u>
2007 General Obligation Bonds	\$ 260,000	\$ -	\$ (60,000)	\$ 200,000
2015 General Obligation Bonds	<u>359,000</u>	<u>-</u>	<u>(24,000)</u>	<u>335,000</u>
 Total	 <u>\$ 619,000</u>	 <u>\$ -</u>	 <u>\$ 84,000</u>	 <u>\$ 535,000</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

*Management's Discussion and Analysis
December 31, 2019*

ECONOMIC FACTORS

The District management's approach is conservative. The Board actively monitors revenues and expenses and evaluates the cost of all purchases and any proposed expansion projects. The primary source of revenues for the District is ad valorem taxes.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Bradley Cooper, Chairman, at 17311 Highway 25, Franklinton, Louisiana 70438.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana
STATEMENT OF NET POSITION
December 31, 2019

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 181,458
Restricted cash	87,676
Receivables	219,220
Other receivable	5,400
Capital assets	
Land	33,404
Building, trucks, and equipment	1,820,721
Less accumulated depreciation	<u>(1,051,457)</u>
TOTAL ASSETS	1,296,422
LIABILITIES	
Accounts payable	4,528
Pension deductions	7,332
Noncurrent liabilities	
Debt due in one year	90,000
Debt due in more than one year	<u>445,000</u>
TOTAL LIABILITIES	546,860
NET POSITION	
Net investment in capital assets	267,668
Restricted for debt service	194,771
Unrestricted	<u>287,123</u>
TOTAL NET POSITION	<u>\$ 749,562</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019

PROGRAM EXPENSES

PUBLIC SAFETY:

Bank and administrative fees	\$ 350
Advertising	232
Insurance expenses	27,500
Equipment - operations	20,265
Repairs and maintenance	26,479
Dues & subscriptions	350
Supplies	2,505
Depreciation expense	75,653
Utilities	6,307
Office expense	3,146
Training expense	2,317
Rental	808
Professional fees	21,150
Telephone	4,010
Miscellaneous	50
Deductions for pension expense	7,332
Interest expense	<u>18,348</u>

TOTAL PROGRAM EXPENSES 216,802

GENERAL REVENUES

Ad valorem taxes	218,236
State revenue sharing	8,608
Insurance rebates	5,423
Interest income	<u>332</u>

TOTAL GENERAL REVENUES 232,599

Change in Net Position 15,797

Net Position, beginning of year 733,765

Net Position, end of year \$ 749,562

FUND FINANCIAL STATEMENTS

WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I
Franklinton, Louisiana

BALANCE SHEET- GOVERNMENTAL FUNDS
December 31, 2019

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 181,458	\$ -	\$ 181,458
Restricted cash	-	87,676	87,676
Receivables	125,545	93,675	219,220
Other receivable	5,400	-	5,400
Due from other funds	<u>-</u>	<u>16,553</u>	<u>16,553</u>
TOTAL ASSETS	<u>\$ 312,403</u>	<u>\$ 197,904</u>	<u>\$ 510,307</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 4,528	\$ -	\$ 4,528
Pension deductions	4,199	3,133	7,332
Due to other funds	<u>16,553</u>	<u>-</u>	<u>16,553</u>
TOTAL LIABILITIES	25,280	3,133	28,413
FUND BALANCES			
Restricted	-	194,771	194,771
Unassigned	<u>287,123</u>	<u>-</u>	<u>287,123</u>
TOTAL FUND BALANCES	<u>287,123</u>	<u>194,771</u>	<u>481,894</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 312,403</u>	<u>\$ 197,904</u>	<u>\$ 510,307</u>

WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I
Franklinton, Louisiana

*Reconciliation of the Governmental Funds' Balance Sheet
To the Government-Wide Financial Statement of Net Position
December 31, 2019*

Amounts reported for governmental activities in the
Statement of Net Position are different because:

Fund Balances, Total Governmental Funds	\$ 481,894
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Governmental capital assets, net of accumulated depreciation	802,668
Long-term liabilities and current bonds payable are not reported in the governmental funds.	
Long-term liabilities	<u>(535,000)</u>
Net Position of Governmental Activities	<u>\$ 749,562</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

*Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Year Ended December 31, 2019*

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Ad valorem taxes	\$ 125,004	\$ 93,232	\$ 218,236
State revenue sharing	8,608	-	8,608
Insurance rebates	5,423	-	5,423
Interest income	<u>233</u>	<u>99</u>	<u>332</u>
TOTAL REVENUES	139,268	93,331	232,599
EXPENDITURES			
Bank and administrative fees	-	350	350
Advertising	232	-	232
Insurance expense	27,500	-	27,500
Equipment - operations	20,265	-	20,265
Repairs and maintenance	26,479	-	26,479
Dues & subscriptions	350	-	350
Supplies	2,505	-	2,505
Utilities	6,307	-	6,307
Telephone	4,010	-	4,010
Office expense	3,146	-	3,146
Training expense	2,317	-	2,317
Rental	808	-	808
Professional fees	21,150	-	21,150
Miscellaneous	50	-	50
Deductions for pension expense	4,199	3,133	7,332
Capital outlay	26,500	-	26,500
Debt service			
Principal retirement	-	84,000	84,000
Interest	<u>-</u>	<u>18,348</u>	<u>18,348</u>
TOTAL EXPENDITURES	<u>145,818</u>	<u>105,831</u>	<u>251,649</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

*Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds - Continued
For the Year Ended December 31, 2019*

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Net Change in Fund Balances	(6,550)	(12,500)	(19,050)
Fund Balances, Beginning of Year	<u>293,673</u>	<u>207,271</u>	<u>500,944</u>
Fund Balances, End of Year	<u>\$ 287,123</u>	<u>\$ 194,771</u>	<u>\$ 481,894</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**
Franklinton, Louisiana

*Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds to
the Statement of Activities
For the Year Ended December 31, 2019*

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds \$ (19,050)

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the costs of assets are allocated over their estimated useful lives and reported as depreciation in the current period.

Expenditures for capital outlay	26,500	
Depreciation expense	<u>(75,653)</u>	(49,153)

Repayment of long-term debt principal is an expenditure in governmental funds but the payment reduces long-term liabilities in the Statement of Net Position.

Principal payments – general obligation bonds	<u>84,000</u>	
Change in Net Position of Governmental Activities		<u>\$ 15,797</u>

NOTES TO THE FINANCIAL STATEMENTS

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO.1**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

INTRODUCTION

The Washington Parish Fire Protection District No. 1 (the District) was created on May 8, 1985 by the Washington Parish Government (formerly Police Jury) as provided by Louisiana Revised Statute 40:1492. The District is responsible for fire protection in the southwestern corner of Washington Parish.

The Board of Commissioners is responsible for the operation and maintenance of the District. The Board consists of five members appointed by the governing authority of Washington Parish. Each member must be an elector of Washington Parish and a resident of the District. The members serve staggered two-year terms, as fixed by the governing authority, without compensation.

The District covers approximately sixty-two square miles in the southwestern corner of Washington Parish and serves approximately 1,200 people. The District operates four fire stations which are located as follows: Station No. 1 (Bonner Creek Station) located at 43139 C. E. Stafford Road, Station No. 2 (Bethel Station) located at 19151 Pettitt Road, Station No. 3 (San Pedro Station) located at 15063 Hwy. 450 and Station No. 4 (Highway 25 Station) located at 17311 Highway 25. The District has no employees and operates with a voluntary staff of fire fighters.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by GASB. The accompanying financial statements of the District have been prepared in conformity with such principles.

Reporting Entity

The District is a component unit of the Washington Parish Government, the financial reporting entity. The Washington Parish Government is financially accountable for the District because it appoints the District's board and has the ability to impose its will on them.

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

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 of the governmental activities of the District. The effect of inter-fund activity has been removed from these statements.

The District does not have any business-type activities and reports only governmental activities. Governmental activities are supported by ad valorem tax collections dedicated to acquire fire protection equipment and to provide support of fire protection activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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) grants and 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. The District reports only general revenues.

All individual governmental funds are reported as separate columns in the fund financial statements.

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. Property taxes are recognized as revenues in the year for which they are levied. 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 of 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.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Measurement Focus, Basis of Accounting, and Financial Statement Presentation- Continued

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available. State revenue sharing is appropriated by the legislature at the end of the calendar year and is recorded in the year of appropriation. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following governmental funds:

General Fund

The general fund is the primary operating fund of the District. It accounts for all financial resources, except those required to be accounted for in other funds.

Debt Service Fund

The debt service fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The effect of inter-fund activity has been eliminated from the government-wide financial statements.

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. The District reported only general revenues consisting of ad valorem taxes, state revenue sharing, fire insurance rebates, interest income, and other income not restricted for specific purposes.

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.

Cash and Restricted Cash

Cash and restricted cash include amounts in demand deposits and interest-bearing demand deposits. 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 law of the United States.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Receivables

Receivables are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

Due To/From Other Funds

These amounts represent ad valorem taxes of the debt service fund deposited in the general fund.

Restricted Cash

This account contains resources for debt service.

Capital Assets

Capital assets, which include land, buildings, trucks and equipment are reported in the government-wide financial statements. Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market values at the date of donation. The District maintains a threshold level of \$500 or more for capitalizing assets.

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

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Fire Stations	20-40 Years
Fire Trucks and Other Trucks	5-15 Years
Equipment, Furniture and Fixtures	5-15 Years

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Governmental Fund Balance

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances are classified as follows:

1. Non-spendable fund balance – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted fund balance – amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors, creditors, or citizens.
3. Committed fund balance – amounts that can be used only for specific purposes determined by a formal action by the board members which are the highest level of decision-making authority for the District.
4. Assigned fund balance – amounts that are constrained by the District's intent that they will be used for specific purposes.
5. Unassigned fund balance – all amounts not included in the other spendable classifications.

The District considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The District also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2 - LEVIED TAXES

On November 7, 2006, the voters of the District passed a 10-year, 8.46 mill property tax renewal for acquiring, constructing, improving, and operating fire protection facilities and equipment in and for the District, including the cost of obtaining water for fire protection purposes. For the period covered by these financial statements, the millage was set at 7.75 mills. On April 9, 2016, the voters of Washington Parish voted to renew this millage for another 10-year period.

On November 7, 2006, the voters of the District passed a 10-year, 5 mill property tax renewal for acquiring, constructing, improving, and operating fire protection facilities and equipment in and for the District, including the cost of obtaining water for fire protection purposes. For the period covered by these financial statements, the millage was set at 4.58 mills. On April 9, 2016, the voters of Washington Parish voted to renew this millage for another 10-year period.

On November 7, 2006, the voters of the District authorized the District to incur debt and issue \$735,000 of 15-year general obligation bonds for acquiring, constructing, and improving buildings, machinery and equipment. On December 6, 2014, the voters of the District authorized the District to incur debt and issue \$425,000 of 15-year general obligation bonds for acquiring, constructing and improving buildings, machinery and equipment, including fire stations. The bonds will be payable from ad valorem taxes to be levied and collected. For the period covered by these financial statements, the millage was set at 9.20 mills.

Property taxes are levied on a calendar year basis and become due on January 1, of each year.

Assessed millages for the year 2019 were as follows:

2019 assessed value of taxable property	<u>\$ 10,182,000</u>
7.75 mill tax (less pension deduction)	\$ 78,912
4.58 mill tax (less pension deduction)	46,634
9.20 mill tax (less pension deduction)	<u>93,674</u>
	<u>\$ 219,220</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget Information

The budget for the year ended December 31, 2019, was adopted at the District’s meeting on December 18, 2018. Act 552 of the 2004 Legislative Session eliminated the public participation requirement for general funds with less than \$500,000 in expenditures. All appropriations lapse at year-end. Formal budget integration (within the accounting records) is employed as a management control device. Changes or amendments are made upon approval of the Board of Commissioners. The District does not use encumbrance accounting.

NOTE 4 – CASH AND RESTRICTED CASH

At December 31, 2019, the District had cash and restricted cash (book balances) totaling \$269,134 as follows:

Interest-bearing demand deposits	\$ 269,134	
Total Cash and Restricted Cash	\$ 269,134	

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.

At December 31, 2019, the District had \$270,721 in deposits (collected bank balances). These deposits were secured from risk by \$250,000 of federal deposit insurance and \$20,721 of collateralized securities.

NOTE 5 – RECEIVABLES

Receivables of \$224,620 at December 31, 2019 are as follows:

	General Fund	Debt Service Fund	Total
Ad valorem taxes	\$ 125,545	\$ 93,675	\$ 219,220
State revenue sharing	5,400	-	5,400
Total	<u>\$ 130,945</u>	<u>\$ 93,675</u>	<u>\$ 224,620</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. 1**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 6 – FUND BALANCES

Fund balances for the District's debt service fund consisted of the following as of December 31, 2019.

Restricted fund balance – The restricted fund balance for the debt service fund consists of amounts restricted for debt service expenditures.

NOTE 7 – CAPITAL ASSETS

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

	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Vehicles & Equipment</u>	<u>Total</u>
Capital assets				
December 31, 2018	\$ 33,404	\$ 630,083	\$ 1,164,138	\$ 1,827,625
Additions	-	-	26,500	26,500
Deletions	-	-	-	-
Capital assets				
December 31, 2019	33,404	630,083	1,190,638	1,854,125
Accumulated depreciation				
December 31, 2018	-	(68,960)	(906,844)	(975,804)
Additions	-	(15,785)	(59,868)	(75,653)
Accumulated depreciation				
December 31, 2019	-	(84,745)	(966,712)	(1,051,457)
Capital assets, net of accumulated depreciation at December 31, 2019	<u>\$ 33,404</u>	<u>\$ 545,338</u>	<u>\$ 223,926</u>	<u>\$ 802,668</u>

NOTE 8 – LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended December 31, 2019:

	<u>December 31, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 2019</u>
2015 General Obligation Bonds	\$ 359,000	\$ -	\$ (24,000)	\$ 335,000
2007 General Obligation Bonds	260,000	-	(60,000)	200,000
	<u>\$ 619,000</u>	<u>\$ -</u>	<u>\$ (84,000)</u>	<u>\$ 535,000</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 8 – LONG-TERM OBLIGATIONS - Continued

All District bonds outstanding at December 31, 2019 are general obligation bonds with maturities from March 1, 2020 to March 1, 2030 and interest rates from 2.94% to 6%. Bond principal and interest payable in 2020 are \$90,000 and \$21,097, respectively.

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the District. At December 31, 2019, the District has accumulated \$194,771 in the debt service fund for future debt requirements. The bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Totals</u>
2020	\$ 90,000	\$ 21,097	\$ 111,097
2021	91,000	13,757	104,757
2022	97,000	9,685	106,685
2023	28,000	7,144	35,144
2024	29,000	6,306	35,306
2025-2029	163,000	17,800	180,800
2030-2034	<u>37,000</u>	<u>544</u>	<u>37,544</u>
TOTAL	<u>\$ 535,000</u>	<u>\$ 76,333</u>	<u>\$ 611,333</u>

The 2007 General Obligation Bonds maturing on March 1, 2022, and thereafter, are callable for redemption at the option of the issuer in full or in part at any time on or after March 1, 2017.

The 2015 General Obligation Bonds maturing on March 1, 2024, and thereafter, are callable for redemption at the option of the issuer in full or in part at any time on or after March 1, 2023.

In accordance with R.S. 39:562, the Washington Parish Fire Protection District No. 1 is legally restricted from incurring long-term bonded debt in excess of 10% of the assessed value of taxable property. At December 31, 2019 the statutory limit is \$1,018,200 and the outstanding bonded debt totals \$535,000.

NOTE 9 – LITIGATION AND CLAIMS

As of December 31, 2019, the District was not involved in any outstanding litigation or claims.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2019

NOTE 10 – RISK MANAGEMENT

The District is exposed to various risks of loss related to limited torts, theft of, damage to, and destruction of position, errors and omissions, injuries to personnel, and natural disasters. These risks are covered, in part, by commercial insurance. Settlements have not exceeded insurance coverage in each of the past three years.

NOTE 11 – SUBSEQUENT EVENTS

Subsequent to year end, the world has encountered a global pandemic (COVID-19 virus) that has significantly affected the economy and operations of many businesses. While the disruption is currently expected to be temporary, the potential financial impacts are unknown at this time.

Subsequent events were evaluated through June 26, 2020, which is the date the reviewed financial statements were available to be issued. No other material subsequent events have occurred since December 31, 2019 that required recognition or disclosure in these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**
Franklinton, Louisiana

*Schedule of Receipts, Disbursements and Changes in
Cash Balance-Budget (Cash Basis) and Actual - General Fund
For the Year Ended December 31, 2019*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable/ (Unfavorable)</u>
RECEIPTS				
Ad valorem taxes	\$ 120,000	\$ 115,000	\$ 125,004	\$ 10,004
State revenue sharing	5,500	5,500	8,608	3,108
Insurance rebates	8,000	8,000	5,423	(2,577)
Interest income	<u>200</u>	<u>200</u>	<u>233</u>	<u>33</u>
TOTAL RECEIPTS	133,700	128,700	139,268	10,568
DISBURSEMENTS				
Advertising	2,000	2,000	232	1,768
Equipment - operations	19,000	21,000	20,265	735
Repairs and maintenance	31,000	31,000	26,479	4,521
Dues and subscriptions	1,000	1,000	350	650
Capital outlay	78,600	30,000	26,500	3,500
Supplies	11,000	6,000	2,505	3,495
Insurance expense	37,000	37,000	27,500	9,500
Office expense	6,500	6,500	3,146	3,354
Legal and professional fees	25,000	22,000	21,150	850
Utilities	6,000	6,500	6,307	193
Rental	1,000	1,000	808	192
Training expense	6,000	3,000	2,317	683
Telephone	3,500	4,500	4,010	490
Miscellaneous	-	-	50	(50)
Deductions for pension expense	<u>5,000</u>	<u>5,000</u>	<u>4,199</u>	<u>801</u>
TOTAL DISBURSEMENTS	<u>232,600</u>	<u>176,500</u>	<u>145,818</u>	<u>30,682</u>

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**
Franklinton, Louisiana

*Schedule of Receipts, Disbursements and Changes in
Cash Balance-Budget (Cash Basis) and Actual - General Fund-Continued
For the Year Ended December 31, 2019*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable/ (Unfavorable)
Excess of receipts over (under) disbursements	\$ (98,900)	\$ (47,800)	\$ (6,550)	\$ 41,250
Fund balance, beginning of year	<u>293,673</u>	<u>293,673</u>	<u>293,673</u>	<u>-</u>
Fund balance, end of year	<u>\$ 194,773</u>	<u>\$ 245,873</u>	<u>\$ 287,123</u>	<u>\$ 41,250</u>

OTHER SUPPLEMENTARY INFORMATION

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**
Franklinton, Louisiana

*Schedule of Compensation Paid To Board Members
For the Year Ended December 31, 2019*

<u>Board Member</u>	<u>Amount</u>
Jauan King, Chairman	None
Kim Lewis	None
Pamela Roberts	None
Gretchen Seymour	None
Lynette Sharp	None
Gayle Hayes	None
Bradley Cooper	None

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

Franklinton, Louisiana

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

The agency head of the Washington Parish Fire Protection District No. 1 at December 31, 2019 was Jauan King, President. For the year ended December 31, 2019, there was no compensation, benefits, or other payments made to the agency head of the District.

OTHER REPORTS

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
Washington Parish Fire Protection District No. 1
Franklinton, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of Washington Parish Fire Protection District No. 1 and the Louisiana Legislative Auditor (the specified parties), on the Washington Parish Fire Protection District No. 1's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the year ended December 31, 2019 as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. Management of Washington Parish Fire Protection District No. 1 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 parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated 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 \$161,500. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year for materials and supplies that exceeded \$30,000.

No expenditures were made during the year for public works that exceeded \$161,500.

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 representations of the requested information.

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

There are no employees paid through the Washington Parish Fire Protection District No. 1.

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

There are no employees paid through the Washington Parish Fire Protection District No. 1.

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

Management provided us with representations that none of the businesses listed as vendors on the list of disbursements were related to board members or board members' immediate families.

There are no employees paid through the Washington Parish Fire District No. 1.

Budgeting

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

Management provided us with a copy of the original budget for the year ended December 31, 2019 and the amendment.

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

We were unable to trace the adoption of the original or amended budgets to documentation in the minutes of the meeting of the District's Board. As such, see comment 2019-002.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues were greater than 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.

Each of the six 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 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 42:48 (the open meetings law); and report whether there are any exceptions.

Washington Parish Fire Protection District No. 1 is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management provided us with all of the notices and agendas for the board meetings held in 2019.

Debt

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

We scanned copies of all bank deposit slips for the year 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.

A reading of the minutes of the District for the year indicated no approval for payroll disbursements. However, the District had no employees during the year. We scanned the District's 2019 cumulative general ledger and noted no payments to others which 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.

Our report date is June 26, 2020, which is in compliance 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).

Not applicable, as the agency is in compliance with R.S. 24:513.

Prior-Year Comments

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

Our prior year report, dated June 12, 2019, did not include any suggestions, exceptions, recommendations, or comments.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 26, 2020

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

May 14, 2020 (Date Transmitted)

Kushner La. Services, LLC (CPA Firm Name)
3330 W. Esplanade Ave. Suite 100 (CPA Firm Address)
Metairie, LA 70002 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2019 (date) and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

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

Yes No

Code of Ethics for Public Officials and Public Employees

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

Yes No

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

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1:2, as applicable.

Yes No

Accounting and Reporting

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

Yes No

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

Yes No

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

Yes No

We 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

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.
Yes [] No []

Debt

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

Yes [] No []

Advances and Bonuses

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

Yes [] No []

Prior-Year Comments

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

Yes [] No []

General

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

Yes [] No []

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

<u>SHARON LYONS</u>	Secretary	<u>5-11-20</u>	Date
<u>SHARON LYONS</u>	Treasurer	<u>5-11-20</u>	Date
<u>BRADLEY COOPER</u>	President	<u>5-11-20</u>	Date

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

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

Section I – Internal Control Over Financial Reporting

None.

Section II – Compliance and Other Matters

2019-001 – Open Meetings Law

Criteria:

Management is responsible for conducting public meetings in compliance with the Open Meetings Law (LSA R.S. 42:11 - 42:28).

Condition:

During our review procedures, management indicated that it may have violated the Open Meetings Law due to an item being added to an agenda without unanimous approval of all members present.

Cause:

The meeting held on December 17, 2019 might have violated LSA R.S. 42:19.A.(1)(b)(ii)(cc).

Effect:

The District did not appear to be in compliance with LSA R.S. 42:19, the Open Meetings Law.

Recommendation:

We recommend the District put procedures in place to prevent any future violations of the Open Meetings Law.

Management's Response:

The former chairman of the District's board was not reappointed when her term expired. The new chairman is aware of the law and will put procedures in place to ensure that the District remains in compliance.

Name of Contact Person:

Bradley Cooper.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

*Franklinton, Louisiana
Schedule of Findings - continued
For the Year Ended December 31, 2019*

2019-002 – Local Government Budget Act

Criteria:

Management is responsible for adopting a budget in accordance with the Local Government Budget Act (LSA R.S. 39:1301-1315).

Condition:

During our review procedures, management was unable to provide minutes of the District's Board that showed adoption of the original and amended budgets.

Cause:

The budget did not appear to be adopted during an official meeting.

Effect:

The District did not appear to be in compliance with LSA R.S. 39:1301-1315, the Local Government Budget Act.

Recommendation:

We recommend the District put procedures in place to prevent any future violations of the Local Government Budget Act.

Management's Response:

The former chairman of the District's board was not reappointed when her term expired. The new chairman is aware of the law and will put procedures in place to ensure that the District remains in compliance.

Name of Contact Person:

Bradley Cooper.

Section III – Management Letter

None.

**WASHINGTON PARISH
FIRE PROTECTION DISTRICT NO. I**

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

Section I – Internal Control Over Financial Reporting

None.

Section II – Compliance and Other Matters

None.

Section III – Management Letter

None.