

FIRE PROTECTION DISTRICT NO. 1
OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-3
<u>BASIC FINANCIAL STATEMENTS</u>	4
Government-wide Financial Statements	5
Statement of Net Position	6
Statement of Activities	7
Fund Financial Statements	8
Balance Sheet - Governmental Fund	9
Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities	12
Notes to Financial Statements	13-29
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	30
Budgetary Comparison Schedule – General Fund	31
Schedule of the District's Proportionate Share of the Net Pension Liability	32
Schedule of the District's Contributions	33
Notes to Required Supplementary Information	34
<u>OTHER SUPPLEMENTARY INFORMATION</u>	35
Schedule of Compensation Paid to Board Members	36
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	37
<u>RELATED REPORTS</u>	38
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	39-40
Schedule of Findings and Responses	41
Schedule of Prior Year Findings	42
Independent Accountant's Report on Applying Agreed-upon Procedures	43-53
Management's Responses to Statewide Agreed-upon Procedures Exceptions	54

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



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

John S. Dowling, CPA - 1904-1984
John Newton Stout, CPA - 1936-2005
Chizal S. Fontenot, CPA - 1955-2012
Russell J. Stelly, CPA - 1942 - 2019
Harold Dupre, CPA - 1931-2019

Van L. Auld, CPA
Molly Fontenot Duplechain, CPA

Retired
Dwight Ledoux, CPA - 1998
Joel Lanclos, Jr., CPA - 2003
G. Kenneth Pavy, II, CPA - 2020

INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
Fire Protection District No. 1
of West Feliciana Parish
St. Francisville, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fire Protection District No. 1 of West Feliciana Parish, a component unit of the West Feliciana Parish Council, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Fire District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Fire District, as of June 30, 2023 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our Responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fire Protection District No. 1 of West Feliciana Parish and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fire District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that

an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fire District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 31 and the schedule of the Fire District's proportionate share of net pension liability and the Fire District's contributions on pages 32 and 33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Fire District's basic financial statements. The accompanying schedule of compensation paid to board members on page 36 and the schedule of compensation, benefits and other payments to agency head on page 37, as required by the State of Louisiana, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, schedule of compensation paid to board members and the schedule of compensation, benefits and other payments is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 21, 2023, on our consideration of the Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fire District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Fire District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated December 21, 2023, on the results of our statewide agreed-upon procedures performed 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. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.


Opelousas, Louisiana
December 21, 2023

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

FIRE PROTECTION DISTRICT NO. 1
OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2023

GOVERNMENTAL ACTIVITIES

ASSETS

Cash and cash equivalents	\$ 250,548
Investments	6,744,939
Receivables	
Property taxes receivable, net	5,681
Accrued interest receivable	2,878
Fire insurance rebate receivable	85,429
Prepaid expenses	
Prepaid insurance	8,998
Due from other government	55,000
Utility deposits	400
Capital assets, net	8,368,170
<u>Total assets</u>	<u>15,522,043</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	419,462
<u>Total deferred outflows of resources</u>	<u>419,462</u>

LIABILITIES

Accounts payable	65,264
Accrued salaries	10,134
Compensated absences	28,042
Other accrued liabilities	33,566
Long-term liabilities	
Unearned revenue	30,480
Net pension liability	468,192
<u>Total liabilities</u>	<u>635,678</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	182,510
<u>Total deferred inflows of resources</u>	<u>182,510</u>

NET POSITION

Net investment in capital assets	8,368,170
Unrestricted	6,755,147
<u>Total net position</u>	<u>15,123,317</u>

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1
OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

<u>FUNCTIONS / PROGRAMS</u>	<u>PROGRAM REVENUES</u>			<u>NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION GOVERNMENTAL ACTIVITIES</u>
	<u>EXPENSES</u>	<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	
Governmental Activities				
Public safety - fire	\$ 2,184,620	\$ -	\$ 4,401	\$ (2,180,219)
<u>Total governmental activities</u>	<u>2,184,620</u>	<u>-</u>	<u>4,401</u>	<u>(2,180,219)</u>
General revenues				
Property taxes				2,226,841
Intergovernmental				
Fire insurance rebate				107,729
On behalf payments - state supplemental pay				6,500
Investment income				226,617
Miscellaneous				80,455
<u>Total general revenues</u>				<u>2,648,142</u>
Change in net position				467,923
Net position – July 1, 2022, beginning				<u>14,655,394</u>
Net position – June 30, 2023				<u>15,123,317</u>

See accompanying notes and independent auditor's report.

FUND FINANCIAL STATEMENTS

FIRE PROTECTION DISTRICT NO. 1
OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2023

	<u>GENERAL FUND</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 250,548
Investments	6,744,939
Receivables	
Property taxes receivable, net	5,681
Fire insurance rebate receivable	85,429
Prepaid expenses	
Prepaid insurance	8,998
Due from other government	55,000
Utility deposits	400
	<hr/>
<u>Total assets</u>	<u>7,150,995</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>	
<u>LIABILITIES</u>	
Accounts payable	\$ 65,264
Accrued salaries	10,134
Other accrued liabilities	33,566
Unearned revenue	30,480
	<hr/>
<u>Total liabilities</u>	<u>139,444</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Unavailable revenue - intergovernmental	55,000
	<hr/>
<u>Total deferred inflows of resources</u>	<u>55,000</u>
 <u>FUND BALANCE</u>	
Unassigned	6,947,553
Nonspendable	8,998
	<hr/>
<u>Total fund balance</u>	<u>6,956,551</u>
	 <hr/>
<u>Total liabilities, deferred inflows of resources and fund balance</u>	<u>7,150,995</u>

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1
OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balance for the governmental fund at June 30, 2023		\$ 6,956,551
Capital assets used in the governmental activities are not financial resources, therefore, are not reported in the governmental funds:		
Cost of capital assets	\$16,489,694	
Less: accumulated depreciation	<u>(8,121,524)</u>	8,368,170
Additional accrued interest receivable on accrual basis		2,878
Long-term liabilities of governmental activities are not payable from current resources, and therefore, are not reported in the governmental funds:		
Compensated absences		(28,042)
Net pension liability		(468,192)
Receivables not collected within 60 days of period end are not available to pay for current expenditures, and therefore, are reported as deferred inflows of resources in the governmental funds		55,000
Deferred outflows and inflows of financial resources related to pensions are applicable to a future period, and therefore, are not reported in the governmental funds. These consist of:		
Deferred outflows of resources - pension related		419,462
Deferred inflows of resources - pension related		<u>(182,510)</u>
Net position at June 30, 2023		<u><u>15,123,317</u></u>

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1
OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>GENERAL FUND</u>
<u>REVENUES</u>	
Taxes	\$ 2,226,841
Intergovernmental	114,229
Grant	4,401
Investment income	226,617
Miscellaneous	91,553
<u>Total revenues</u>	2,663,641
 <u>EXPENDITURES</u>	
Public safety	
Benefits	167,675
Board and per diem	4,720
Dues and subscriptions	20,878
Insurance	153,531
Miscellaneous	26,442
Payroll taxes	25,609
Professional services	82,095
Repairs and maintenance	192,349
Salaries	731,912
Supplies	158,543
Telephone and utilities	52,889
Training	45,571
Vehicle Expense	36,614
Capital outlay	
Building & equipment	853,024
<u>Total expenditures</u>	2,551,852
 <u>NET CHANGE IN FUND BALANCE</u>	111,789
 <u>FUND BALANCE</u> , beginning of year	6,844,762
 <u>FUND BALANCE</u> , end of year	6,956,551

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1
OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Total net change in fund balance for the year ended June 30, 2023 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 111,789
--	------------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period:

Expenditures for capital assets	\$ 853,025	
Less: current year depreciation	<u>(552,464)</u>	300,561

Some revenues in the Statement of Activities do not provide current financial resources and are not reported as revenue in the governmental funds:

Non-employer contributions to cost-sharing pension plan		18,901
Unavailable revenue - intergovernmental		<u>(30,000)</u>

Some expenses do not require the use of current financial resources, and therefore, is not reported in the governmental funds:

Compensated absences		(21,516)
Pension expense		<u>88,188</u>

Total change in net position for the year ended June 30, 2023 per Statement of Activities	<u><u>467,923</u></u>
--	-----------------------

See accompanying notes and independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Fire Protection District No. 1 of West Feliciana Parish have been prepared in conformity with generally accepted accounting standards (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The following is a summary of certain significant accounting policies and practices of the Fire Protection District No. 1 of West Feliciana Parish.

A. FINANCIAL REPORTING ENTITY

Fire Protection District No. 1 of West Feliciana Parish ("the District") is a component unit of the West Feliciana Parish Council and was created in 1986 as provided by Louisiana Revised Statute 40:1492. The District serves as a parish-wide agency for the purpose of acquiring, maintaining and operating buildings, machinery, equipment, water tanks and any other such things necessary to provide fire prevention and protection within its boundaries.

The District is managed by a Board of Commissioners composed of 7 members that are appointed by the parish governing authority to serve two-year terms. Commissioners, as authorized by Louisiana Revised Statute 38:3304 receive a per diem to attend meeting or conduct board-approved business not to exceed \$30 per meeting and two meetings per month.

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 Fire Protection District No. 1 of West Feliciana Parish is considered a component unit of the West Feliciana 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.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities display information on all the nonfiduciary activities of Fire Protection District No. 1 of West Feliciana Parish, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS.

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

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FUND FINANCIAL STATEMENTS

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The fund presented in the financial statements and considered a major fund is described as follows:

Governmental Fund

General Fund

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

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

MEASUREMENT FOCUS

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

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

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

BASIS OF ACCOUNTING

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

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING (Continued)

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

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

D. CASH 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 90 days 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 stated at cost or amortized cost, which approximates market. Investments consists of direct investments in Louisiana Asset Management Pool (LAMP).

E. PREPAID ITEMS

The District recognizes expenditures for insurance and similar services extending over more than one accounting period when paid in the fund financial statements.

F. CAPITAL ASSETS

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. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets.

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:

Buildings & Improvements	5-40 years
Equipment	5-10 years
Vehicles & Apparatus	7-20 years

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. 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 modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP). The major requirements of the Local Government Budget Act are summarized as follows:

1. The District adopts a budget each year for the general fund.
2. The District's secretary and Fire Chief prepare a proposed budget and submit it to the Board of Commissioners for consideration 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.
3. All action necessary to adopt and implement the budget must be completed prior to the beginning of the fiscal year.
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.
5. Formal budgetary integration is not employed; however, periodic budget comparisons are made as a part of interim reporting.

H. PENSION PLANS

The District is a member of the Louisiana Firefighters' Retirement System. The System has prepared its employer schedules in accordance with GASB No. 68. Members' earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed.

I. COMPENSATED ABSENCES

The District has the following vacation leave policy:

Vacation Leave - Days Earned per Year	Years of Service		
	6 months - 1 year	1-10 years	10+ years
	9	18	additional 1 day for each year of service over 10 years (max 30 days)

The District's employees are allowed to carry forward a max of 80 hours each calendar year, which is paid to the employee upon termination. The District follows the policy of the Louisiana Municipal Fire and Police Civil Service Revised Statutes for sick leave.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the general fund.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. ENCUMBRANCES

Encumbrance accounting is not used by the District.

K. LONG-TERM DEBT

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bond payables are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are now expensed in the period incurred under GASB 65.

The District has implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, and with the implementation of GASB 65, the recognition of bond-related costs, including the costs related to issuance and refunding of debt, were revised. This standard was intended to compliment GASB Statement No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are now expensed in the period incurred under GASB 65. The District did not have any bond related costs in the year ending June 30, 2023.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. EXPENDITURES AND EXPENSES

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

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

M. EQUITY CLASSIFICATIONS

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

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

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. EQUITY CLASSIFICATIONS (Continued)

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

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

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

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

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

N. ESTIMATES

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

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

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

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

In the government-wide Statement of Net Position, deferred outflows of resources and deferred inflows of resources relating to pensions are recognized.

NOTE 2 - CASH AND CASH EQUIVALENTS

As of June 30, 2023, the carrying amount of the District's cash and investments was \$ 6,995,487. The bank balance of cash was \$250,548. Of the bank balance, \$250,000 was covered by federal depository insurance and \$548 was covered by pledged securities. Deposits secured by pledged securities were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the Fire District's name. Custodial credit risk as it relates to cash deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. The Fire District does not have a policy for custodial credit risk.

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.

NOTE 3 - INVESTMENTS

The only investments held by the District at June 30, 2023 are direct investments in the Louisiana Asset Management Pool (LAMP) as described in Note 1.

In accordance with GASB 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, all investments, when held, are carried at fair market value, with the estimated fair market value based on quoted market prices.

Interest Rate Risk: The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – INVESTMENTS

In accordance with GASB Codification Section 150.165, the investment in the Louisiana Asset Management Pool (LAMP) at June 30, 2023, is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The investment in LAMP is stated at the value of the pool shares, which is the same as the fair value. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The corporation is governed by a board of directors comprised of the State Treasurer, representatives from various organizations of local government, the Government Finance Office Association of Louisiana, and the Society of Louisiana CPAs. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest.

LAMP is subject to the regulator oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments. LAMP is a 2a7 - like investment pool. The following facts are relevant for 2a7 like investment pools:

1. Credit risk: LAMP is rated AAAM by Standards and Poor's.
2. Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement per paragraph 15 of the GASB 40 statement. However, LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP'S total investments, as provided by LAMP, is 39 days as of June 30, 2023.
5. Foreign currency risk: Not applicable to 2a7-like pools.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – INVESTMENTS (Continued)

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by calling (800) 249-5267.

Investment in LAMP at June 30, 2023 was \$6,744,939.

NOTE 4 - PROPERTY TAXES

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 West Feliciana Parish Sheriff's Office bills and collects the property taxes using the assessed value determined by the West Feliciana Parish Tax Assessor. The taxes are generally collected in December of the current year and January and February of the ensuing year. For the year ended June 30, 2023, taxes of 6 mills were levied for maintenance.

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

Since the Sheriff of the parish collects all taxes for the parish, the tax collected in the first month is reduced by the Sheriff for the pension fund amount owed and the remainder is remitted to the taxing district. For the year ended June 30, 2023 property taxes receivable amounted to \$ 5,681 and allowance for uncollectible accounts amounted to \$0.

NOTE 5 – DUE FROM OTHER GOVERNMENT

At June 30, 2023, the amount "due from other government" consists of a receivable from the West Feliciana Hospital totaling \$55,000.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - CAPITAL ASSETS

Capital assets and depreciation activity, as of and for the year ended June 30, 2023, for Fire Protection District No. 1 of West Feliciana Parish are as follows:

	<u>Balance 7/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2023</u>
Governmental activities				
Capital Assets Not Being Depreciated:				
Land	\$ 293,929	\$ -	\$ -	\$ 293,929
Total Capital Assets Not Being Depreciated	<u>293,929</u>	<u>-</u>	<u>-</u>	<u>293,929</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	6,047,397	28,077	-	6,075,474
Equipment	356,427	18,000	-	374,427
Vehicles and Apparatus	8,938,916	806,948	-	9,745,864
Total Capital Assets Being Depreciated	<u>15,342,740</u>	<u>853,025</u>	<u>-</u>	<u>16,195,765</u>
<u>Totals at Historical Cost</u>	<u>15,636,669</u>	<u>853,025</u>	<u>-</u>	<u>16,489,694</u>
Less Accumulated Depreciation				
Buildings and Improvements	2,506,068	156,630	-	2,662,698
Equipment	102,529	42,282	-	144,811
Vehicles and Apparatus	4,960,463	353,552	-	5,314,015
<u>Total Accumulated Depreciation</u>	<u>7,569,060</u>	<u>552,464</u>	<u>-</u>	<u>8,121,524</u>
Governmental activities				
Capital assets, net	<u>8,067,609</u>	<u>300,561</u>	<u>-</u>	<u>8,368,170</u>

Depreciation expense was charged to governmental activities as follows:

Public safety – fire	\$ 552,464
----------------------	------------

NOTE 7 – ON-BEHALF PAYMENTS

Several employees of the District received salaries from the state in the form of supplemental pay and are included in the financial statements in the amount of \$ 28,800 .

NOTE 8 – UNEARNED REVENUE

On February 1, 2014, the District entered into a ground lease agreement with Gas Utility District No. 1 of West Feliciana Parish. The lease was for 99 years in the amount of \$33,900 which was paid to the District on the date of the lease agreement. The amount recognized by the District as income for the fiscal year June 30, 2023 was \$342. The amount considered unearned revenue for the fiscal year June 30, 2023 was \$ 30,480 .

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEM

Substantially all full-time employees of Fire Protection District No. 1 of West Feliciana Parish are members of the Louisiana Firefighters Retirement System (System), a cost-sharing, multi-employer public employee retirement system (PERS), controlled and administered by a separate board of trustees.

The District implemented Governmental Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB 68. These standards require the District to record its proportional share of each of the pension plans' net pension liability and report the following disclosures:

Plan Description: The Firefighters' Retirement System (System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 434 of 1979 to provide retirement, disability, and survivor benefits to firefighters in Louisiana. Membership in the Louisiana Firefighters Retirement System is mandatory for all full-time firefighters who earn at least \$375 per month and are employed by a municipality, parish, or fire protection district of the State in addition to employees of the Firefighters' Retirement System.

Retirement Benefits:

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

Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3 1/3% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions. Benefits are payable over the employees' lives in the form of a monthly annuity.

An employee may elect an unreduced benefit or any of seven options at retirement. The options are as follows:

1. At death, their beneficiary will receive a lump sum payment based on the present value of the employee's annuity account balance.
2. At death, their beneficiary will receive a life annuity equal to the employee's reduced retirement allowance.
3. At death, their beneficiary will receive a life annuity equal to of the employee's reduced retirement allowance.
4. Any other benefit certified by the actuary and approved by the Board of Trustees that will be equivalent in value to the employee's retirement allowance limited to a spouse and/or minor children.
5. The member can select a reduced option 2 benefit. However, if the beneficiary predeceases the retiree, the benefit will convert to the maximum. This option is limited to a spouse and/or minor children or handicapped children.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEM (Continued)

6. The member can select a reduced option 3 benefit. However, if the beneficiary predeceases the retiree, the benefit will convert to the maximum. This option is limited to a spouse and/or minor children.
7. The member can select to receive a guaranteed 2 1/2% COLA every year beginning when the member reaches age 55. In exchange for this COLA the member takes an actuarially reduced benefit upon retirement.

Death Benefits:

If an active employee dies and is not eligible for retirement, his survivors shall be paid:

1. If the employee is not eligible to retire and dies in the line of duty, their spouse will receive monthly, an annual benefit equal to 2/3 of the employee's average final compensation. If death is not in the line of duty, the spouse will receive monthly, an annual benefit equal to 3.0% of the member's average final compensation multiplied by his total years of service; however, the benefit shall not be less than 40.0%, or more than 60.0% of the employee's average final compensation.
2. Children of deceased employees will receive the greater of \$200 or 10.0% of the member's final average compensation per month until reaching the age of 18 or until the age of 22 if enrolled full time in an institution of higher education. The surviving totally physically handicapped or mentally retarded child of a deceased employee, regardless of age, shall receive the benefits as long as they are dependent on the surviving spouse.
3. If an employee, who is eligible to retire, dies before retiring, the designated beneficiary shall be paid under option 2, survivor benefit equal to member's benefit.

Disability Benefits:

If an eligible member is officially certified as disabled by the State Medical Disability Board, he shall receive the greater retirement, if eligible for disability benefits as follows:

1. Any member totally disabled from injury received in the line of duty, shall be paid, on a monthly basis, an annual pension of 60.0% of the average final compensation being received at the time of the disability.
2. Any member of ERS who has become disabled or incapacitated because of continued illness or as a result of any injury received, even though not in the line of duty, and who has 5 years of creditable service, but is not eligible for retirement under the provisions of R. S. 11:2256 may apply for retirement under the provisions of R.S. 11:2258 and shall be retired on 75.0% of the retirement salary to which he would be entitled under R. S. 11:2256 if he were otherwise eligible there under or 25.0% of the member's average salary, whichever is greater.
3. Any retired member or DROP plan participant who becomes disabled for any reason provided for by law shall be permitted to apply for conversion of a service retirement to a service connected disability retirement under R.S. 11:2258(B)(1)(e).

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEM (Continued)

4. Should a member who is on disability retirement die and leave a surviving spouse, the surviving spouse shall receive a benefit of \$200 per month. When the member takes disability retirement, he may, in addition, take an actuarially reduced benefit in which case the member's surviving spouse shall receive 50% of the disability benefit being paid immediately prior to the death of the disabled retiree. If the surviving spouse remarries prior to age 55, such benefits shall cease; however, the benefits shall resume upon subsequent divorce or death of the new spouse, and the approval of the board of trustees.

Deferred Retirement Option Plan:

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

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to ERS cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program may elect to roll over all or a portion of their DROP balance into another eligible qualified plan, receive a lump sum payment from the account, receive single withdrawals at the discretion of the member, receive monthly or annual withdrawals, or receive an annuity based on the DROP account balance. These withdrawals are in addition to the member's regular monthly benefit.

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

Initial Benefit Option:

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

The System issues an annual publicly available financial report that includes financial statements and required supplemental information for the System. That report may be obtained by writing to the Firefighters' Retirement System Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (225) 925-4060 or www.lafirefightersret.com.

Funding Policy: Plan members are required by state statute to contribute ten percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The employer contribution rates were 27.75 percent of annual covered salary for the plan years ending in 2019. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior year.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEM (Continued)

According to state statute ERS receives insurance premium tax funds from the State of Louisiana. This additional source of income is used as an additional employer contribution and is reported as a non-employer contribution but is not considered a special funding situation. During the year ending June 30, 2023, the District recognized revenue as a result of support received from non-employer contributing entities of \$18,901 for its participation in FRS.

The District's total contributions were \$ 115,863 in the fiscal years ending June 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2023, the District reported a liability of \$468,192 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contribution of all participating, actuarially determined. At the measurement date, June 30, 2022, the District's proportion was 0.066398%, which was an increase of 0.03321% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense for the FRS System of \$27,675 representing its proportionate share of the System's net expense, including amortization of deferred amounts.

As of June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to the FRS pension system from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,798	\$ (22,068)
Changes of Assumptions	38,606	-
Net difference between projected and actual earnings on pension plan investments	106,058	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	156,247	(160,442)
Employer contributions subsequent to the measurement date	115,753	-
<u>Total</u>	<u>419,462</u>	<u>(182,510)</u>

The District reported \$115,753 in deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2022 which will be recognized as a reduction in net pension liability in the year ended June 30, 2024.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEM (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense is as follows:

Year ended June 30		
2024	\$	5,515
2025		(4,603)
2026		(201)
2027		77,388
2028		19,743
2029		23,358
		121,200
		121,200

Actuarial Assumptions: A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2022 is as follows:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return (discount rate)	6.90% per annum (net of investment expenses, including inflation)
Expected Remaining Service Lives	7 years, closed period
Inflation Rate	2.50% per annum
Salary Increases	14.10% in the first two years of service and 5.20% with three or more years of service; includes inflation and merit increases
Cost of Living Adjustments (COLAs)	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included

The estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation as of January 2021 and the G.S. Curran & Company Consultant Average study for 2022. The System's long-term assumed rate of inflation of 2.50% was used in the process for the fiscal year ended June 30, 2022.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 9 - RETIREMENT SYSTEM (Continued)

The long-term expected real rate of return is an important input into the actuary's determination of the reasonable range for the discount rate which is used in determining the total pension liability. The actuary's method incorporates information from multiple consultants and investment firms regarding future expected rates of return, variances, and correlation coefficients for each asset class. The actuary's method integrates data from multiple sources to produce average values thereby reducing reliance on a single data source.

Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	56.00%	25.27%
Fixed Income	26.00%	4.34%
Multi-Asset Strategies	0.00%	6.28%
Alternatives	18.00%	18.45%
	<u>100%</u>	

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

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the participating employers calculated using the discount rate of 6.90%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate as of June 30, 2022:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Rates	5.90%	6.90%	7.90%
Share of Net Pension Liability	692,638	468,192	280,988

Payable to the Retirement System:

As of June 30, 2023, the District reported a pension payable to FRS for \$ 17,048 .

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 - SUBSEQUENT EVENTS

Subsequent events were evaluated through December 21, 2023 which is the date the financial statements were available to be issued. As of December 21, 2023, there were no subsequent events noted.

REQUIRED SUPPLEMENTARY INFORMATION

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
<u>REVENUES</u>				
Ad valorem taxes	\$ 2,404,987	\$2,203,000	\$ 2,226,841	\$ 23,841
Intergovernmental				
Fire insurance rebate	-	99,500	114,229	14,729
Grant	-	-	4,401	4,401
Interest earnings	-	132,000	226,617	94,617
Miscellaneous	-	63,500	91,553	28,053
<u>Total revenues</u>	<u>2,404,987</u>	<u>2,498,000</u>	<u>2,663,641</u>	<u>165,641</u>
<u>EXPENDITURES</u>				
Public safety				
Benefits	257,051	259,556	167,675	91,881
Board and per diem	3,780	3,780	4,720	(940)
Dues and subscriptions	13,866	14,000	20,878	(6,878)
Insurance	164,405	164,405	153,531	10,874
Miscellaneous	23,300	23,300	26,442	(3,142)
Payroll taxes	11,965	12,108	25,609	(13,501)
Professional services	90,250	105,000	82,095	22,905
Repairs and Maintenance	155,000	155,000	192,349	(37,349)
Salaries	752,452	762,312	731,912	30,400
Supplies	62,000	140,000	158,543	(18,543)
Telephone and utilities	72,500	72,500	52,889	19,611
Training	36,000	41,000	45,571	(4,571)
Vehicle expense	32,000	40,000	36,614	3,386
Capital outlay				
Building & equipment	556,000	629,500	853,024	(223,524)
<u>Total expenditures</u>	<u>2,230,569</u>	<u>2,422,461</u>	<u>2,551,852</u>	<u>(129,391)</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>174,418</u>	<u>75,539</u>	111,789	<u>36,250</u>
<u>FUND BALANCE</u> , beginning of year			<u>6,844,762</u>	
<u>FUND BALANCE</u> , end of year			<u>6,956,551</u>	

See independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023*

Date	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.06640%	\$ 468,192	\$ 171,064	273.69%	74.68%
2022	0.03319%	117,620	83,250	141.29%	86.78%
2021	0.04140%	286,959	103,065	278.43%	72.61%
2020	0.03962%	248,103	91,445	271.31%	73.96%
2019	0.08140%	468,225	185,074	252.99%	74.76%
2018	0.10000%	573,208	218,110	262.81%	73.55%
2017	0.09651%	631,269	204,733	308.34%	68.16%
2016	0.09277%	500,706	196,814	254.41%	72.45%
2015	0.07339%	326,579	141,245	231.21%	76.02%

* Amounts presented were determined using a measurement date of the previous fiscal year end.

See independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2023	\$ 115,753	\$ 115,753	\$ -	\$ 348,138	33.25%
2022	57,645	57,645	-	171,064	33.70%
2021	26,848	26,848	-	83,250	32.25%
2020	28,601	28,601	-	103,065	27.75%
2019	25,376	25,376	-	91,445	27.75%
2018	51,358	51,358	-	185,074	27.75%
2017	58,982	58,982	-	218,110	27.04%
2016	59,299	72,753	(13,454)	204,733	35.54%
2015	57,669	56,859	810	196,814	28.89%

See independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

(1) BUDGETS AND BUDGETARY ACCOUNTING

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the District. All budgetary appropriations lapse at the end of each fiscal year.

(2) PENSION PLANS

Changes of assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

SUPPLEMENTARY INFORMATION

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS
YEAR ENDED JUNE 30, 2023

<u>Board Members</u>	<u>Title</u>	<u>Compensation</u>
Steve Neal	Chairman	\$ 330
Jeremy Sanders	Vice Chairman	240
April Vessel	Board Member	360
Charles Stewart	Board Member	270
Matt Paxton	Board Member	270
Henry Young	Board Member	150
Willia Parkerson	Board Member	150
Bonnie Hines	Former Board Member	120
Chris Jones	Former Board Member	150
		<u>2,040</u>

See independent auditor's report.

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF COMPENSATION BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
YEAR ENDED JUNE 30, 2023

Agency Head Name: Steve Neal, Chairman

Purpose	Amount
Salary	\$0
Benefits-insurance	0
Benefits-retirement	0
Benefits	0
Car allowance	0
Vehicle provided by government	0
Per diem	330
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses*	0
Special meals	0
Other	0

See independent auditor's report.

RELATED REPORTS

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



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

John S. Dowling, CPA - 1904-1984
John Newton Stout, CPA - 1936-2005
Chizal S. Fontenot, CPA - 1955-2012
Russell J. Stelly, CPA - 1942 - 2019
Harold Dupre, CPA - 1931-2019

Van L. Auld, CPA
Molly Fontenot Duplechain, CPA

Retired
Dwight Ledoux, CPA - 1998
Joel Lanclos, Jr., CPA - 2003
G. Kenneth Pavy, II, CPA - 2020

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Board of Commissioners
Fire Protection District No. 1
of West Feliciana Parish
St. Francisville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of The Fire Protection District No. 1 of West Feliciana Parish as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Fire District's basic financial statements and have issued our report thereon dated December 21, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fire District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fire District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fire District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under Government Auditing Standards, and which is described in the accompanying schedule of findings and responses as item 2023-001.

The Fire District Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Fire District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Fire District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Opelousas, Louisiana
December 21, 2023

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2023

SECTION I - SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of the Fire Protection District No. 1 of West Feliciana Parish of St. Francisville, Louisiana.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. One instance of noncompliance relating to the audit of the financial statements were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
4. No management letter was issued for the Fire District as of and for the year ended June 30, 2023.
5. There was no single audit requirement under The Uniform Guidance.

SECTION II - INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS

2023-001 Budget Amendment

Condition: Total expenditures exceeded budgeted expenditures by \$129,391, or by 5.34%.

Criteria: Louisiana Revised Statute (RS 39:1310-1311) states that the budget must be amended when actual expenditures exceed budgeted expenditures by more than five percent.

Cause: The budget was not amended to account for the increase in expenditures.

Effect: Although the budget was amended before year end, and the actual expenditures exceeded the budgeted expenditures by more than five percent.

Recommendations: The Fire District should budget expenditures more accurately in the future to reflect actual expenditures.

Response: In the future, we will properly amend the budget.

Contact person: Rick Dudley

SECTION III - INTERNAL CONTROL AND COMPLIANCE TO FEDERAL AWARDS

N/A

SECTION IV - MANAGEMENT LETTER

N/A

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2023

SECTION I - INTERNAL CONTROL AND COMPLIANCE TO THE FINANCIAL STATEMENTS

INTERNAL CONTROL

COMPLIANCE

2022-01 Sexual Harassment Training

Resolved

2022-02 Budget Presentation

Resolved

2022-03 Late Submission of Report

Resolved

SECTION II - INTERNAL CONTROL AND COMPLIANCE TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A



INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of Fire
Protection District No. 1 of West Feliciana
Parish and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. Fire Protection District No. 1 of West Feliciana Parish's management is responsible for those C/C areas identified in the SAUPs.

Fire Protection District No. 1 of West Feliciana Parish has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

A. Obtain and inspect the entity's written policies and procedures and observe they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

The Fire District does not have any written policies or procedures to address budgeting.

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

Written policies and procedures were obtained for purchasing. The policies and procedures address all of the above functions except how vendors are added to the vendor list.

- iii. ***Disbursements***, including processing, reviewing, and approving.

The Fire District does not have any written policies or procedures to address disbursements.

- iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation)

The Fire District does not have any written policies or procedures to address receipts and collections.

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

No exceptions noted.

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

No exceptions noted.

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

The fire District does not have any written policies or procedures to address travel and expense reimbursement.

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

The Fire District does not have any written policies or procedures to address credit cards.

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

The Fire District does not have any written policies or procedures to address ethics.

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

The Fire District does not have any debt; therefore, the Fire District does not have any written policies or procedures to address debt service.

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

The Fire District does not have any written policies or procedures to address information technology disaster recovery/business continuity.

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

No exceptions noted.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
No exceptions noted.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on propriety funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
No exceptions noted.
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
The general fund did not have a negative unassigned fund balance in the prior year.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.
There are no written updates of the progress of resolving audit findings.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- Obtained a listing of client bank accounts from management and management's representation that the listing is complete.*
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
No exceptions noted.
 - ii. Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
Bank reconciliations did not include evidence that a member of management or board member reviewed each bank reconciliation.
 - iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
No exceptions noted.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

The Fire District only has one deposit site and obtained management's representation that the listing is complete.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

The Fire District only has one collection location and obtained management's representation that the listing is complete.

- i. Employees that are responsible for cash collections do not share cash drawers/registers.

There is no cash register or drawer; collections only consist of checks.

- ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

The person responsible for collecting cash is also responsible for making bank deposits and reconciling collection documentation to the deposits.

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

An outside CPA firm is responsible for posting collection entries into the general ledger.

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

An outside CPA firm is responsible for reconciling cash collections to the general ledger.

- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

The employees who have access to cash are not covered by an insurance policy for theft.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

Selected two deposit dates for the bank account.

- i. Observe that receipts are sequentially pre-numbered.
No exceptions noted.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
No exceptions noted.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
No exception noted.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
No exceptions noted.
- v. Trace the actual deposit per the bank statement to the general ledger.
No exception noted.

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

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
There is only one location that processes payments and obtained management's representation that the listing is complete.
- B. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
The Fire Chief initiates, approves, and places the order to make the purchases.
 - ii. At least two employees are involved in processing and approving payments to vendors.
All invoices are approved by the board and fire chief and two signatures are required on each check.
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
The person responsible for processing payments is prohibited from adding/modifying vendor files.
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
The person responsible for signing the checks gives the signed checks to an outside CPA firm who then mails them.

- v. Only employees/officials authorized to sign checks approve the electronic disbursements (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

The fire chief and fire board approve electronic disbursements.

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

Obtained the year-to-date general ledger and management's representation that the population is complete.

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

No exceptions noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions noted.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does not include electronic disbursements.

No exceptions noted.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

Obtained the list of all active fuel cards, including card numbers and names, and management's representation that the list is complete.

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

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

No exceptions noted.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Two credit cards showed interest charges and late fees being assessed.

- C. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exceptions noted.

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

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

Obtained the general ledger from management and management's representation that the listing is complete.

- i. If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Not applicable.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions noted.

- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions noted.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

- iii. If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented)
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

The District did not initiate/renew any contracts during the fiscal period.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained a listing of employees employed during the fiscal period and management's representation that the listing was complete.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- i. Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

No exceptions noted.

- iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions noted.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions noted.

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

No employees were terminated during the fiscal period.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions noted.

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
No exceptions noted.
 - ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
The Fire District does not have an ethics policy.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as requires by R.S. 42:1170.
There is an appointed ethics designee.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
The Fire District does not have bonds/notes or any other debt instruments.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
No exceptions noted.
- B. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

- iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

There were no employees terminated during the fiscal period.

14) Prevention of Sexual Harassment

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

Only 4 of 5 employees selected completed the training.

- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

No exceptions noted.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

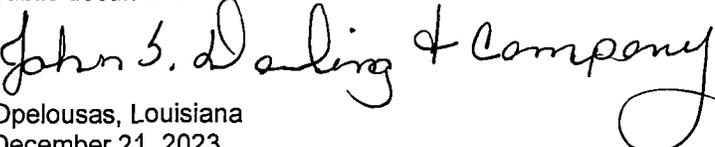
- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

No exceptions noted.

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

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

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


Opelousas, Louisiana
December 21, 2023

FIRE PROTECTION DISTRICT NO. 1 OF WEST FELICIANA PARISH
ST. FRANCISVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2023

Management's responses to the following agreed-upon procedure sections:

1) Written Policies and Procedures:

- A. i) Budgeting
- ii) Purchasing
- iii) Disbursements
- iv) Receipts/Collections
- vii) Travel and expense reimbursement
- viii) Credit cards
- ix) Ethics
- xi) Information Technology Disaster Recovery/Business Continuity

Management's response: The District will consider creating written policies and procedures for the above areas.

2) Board and Finance Committee:

- A. iv) The District will begin including in the meeting minutes the progress of resolving audit findings until the findings are fully resolved.

3) Bank Reconciliations:

- A. ii) The fire chief will begin initialing and dating the each bank reconciliation once received from the outside CPA firm.

4) Collections:

- B. ii) Due to the small size of the District, there are not enough employees to prevent the person responsible for collecting cash to also be the person responsible for making bank deposits and reconciling collection documentation to the deposits.
- C. The Fire District does not have a bond or insurance policy for theft covering all employees who have access to cash.

5) Non-Payroll Disbursements:

- B. i) Due to the small size of the District, there are not enough employees to prevent the Fire Chief from initiating, approving, and placing orders to make the purchases.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- B. ii) The District will pay credit card invoices in a timely manner to prevent interest charges from being assessed.

14) Prevention of Sexual Harassment

- A. In the future, the Fire District will ensure that all employees and officials obtain sexual harassment training and maintain its documentation.