

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE, COUPEE
YEAR ENDED DECEMBER 31, 2020
A COMPONENT UNIT OF THE
POINTE COUPEE PARISH POLICE JURY**

FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE

Fire/EMS/Rescue Services
6456 La Hwy 1
PO Box 212
Batchelor, Louisiana 70715
(225) 492-3100

GOVERNING BOARD

(Effective January 1, 2020)

Robert Allen, Chairperson
Shirley Best
Allen Monk
Tamarcus Polk
Duncan Massicot

MEETING DATE

Third Monday of Every Month

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Fire Protection District No. 1 of the
Parish of Pointe Coupee
Batchelor, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Fire Protection District No. 1 of the Parish of Pointe Coupee, Louisiana, (the "District"), a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and with provisions of Louisiana Revised Statute 24:513 and the provisions of the Louisiana Governmental Audit Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 22 through 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

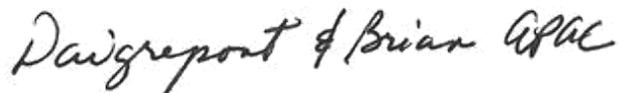
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation, benefits, and other payments to agency head and the schedule of taxable valuations are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* , we have also issued a report dated June 18, 2021, on our consideration of the District’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 District’s internal control over financial reporting and compliance.



Daigrepont & Brian, APAC

Baton Rouge, LA

June 18, 2021

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis (MD&A) is a required component of financial statements prepared in accordance with generally accepted accounting principles (GAAP). The MD&A is an analysis of the financial condition and operating results of the District written by management. It introduces the basic financial statements and notes. The MD&A should provide an objective and easily readable analysis of the District's financial activities based on currently known facts, decisions, or conditions.

FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
PO Box 212
Batchelor, Louisiana 70715

Introduction

This annual report consists of:

Our independent auditors' report on the financial statements in which they rendered an unqualified opinion.

Management's discussion and analysis which provides in plain language an overview of our financial activities for the year.

The basic financial statements which consist of government-wide financial statements, governmental fund financial statements, and the notes to those financial statements.

The comparison of actual operations for the year compared to the budget.

A schedule of taxable property valuations for the District since inception.

Our independent auditor's report on the District's compliance with laws and regulations and how management applied internal controls over its financial operations. The results of those tests and observations disclosed no instances of noncompliance.

Management's Discussion and Analysis

As management of the Fire Protection District No. 1 of the Parish of Pointe Coupee, Louisiana, we are pleased to provide an overview of our financial activities for the year ended December 31, 2020. The intended purpose of the Management Discussion and Analysis (MD&A) is to provide an introduction to the basic financial statements and notes, that provides an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions, by providing an easily readable summary of operating results and reasons for changes, which will help to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities, the sources, uses, and changes in resources, adherence to budget, service levels, limitations of significant economic factors, and the status of infrastructure and its effects on our debt and operation. When referring to prior years data in this analysis we will be drawing upon information from last year's audited financial report.

Financial Highlights

The District's net position increase by \$529,125 from \$1,334,312 in 2019 to \$1,863,437 in 2020.

Cash decreased by \$186,443 for the year ended December 31, 2020.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements which are comprised of four components: (1) government-wide financial statements, (2) fund financial statements, (3) notes to the financial statements, and (4) other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements, presented on pages 11 and 12, are designed to provide readers with broad overview of the District's finances, in a manner similar to a private-sector business.

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

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

The District's government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The District's sole operation of fire protection is classified as governmental activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one fund which is categorized as a governmental fund.

Governmental funds, presented on pages 13 through 15, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget. A budgetary comparison schedule has been provided for the District's operations to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes, presented on pages 16 through 21, provide additional narrative and tabular information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary control, on pages 23 and 24.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. At the end of the most recent year, the assets of the District exceeded its liabilities by \$1,863,437.

The District's total assets are mainly composed of \$343,894 (14%) in cash, \$890,940 (37%) in receivables, and \$1,168,593 (48%) investment in capital assets (land, buildings, vehicles and equipment, etc.). The District uses these capital assets to provide fire protection services to residents and businesses that encompass the area north of the Morganza Spillway Control Structure in the northern part of Point Coupee Parish; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net assets, \$1,196,957, may be used to meet the District's future operations.

Net Position

	2020	2019	% Change
Assets			
Current and other assets	\$ 1,267,578	\$ 730,125	74%
Capital assets	1,168,593	1,239,002	-6%
Total assets	2,436,171	1,969,127	24%
Liabilities			
Current and other liabilities	135,852	132,711	2%
Debt liabilities	436,882	502,104	-13%
Total liabilities	572,734	634,815	-10%
Net position			
Invested in capital assets	666,480	663,119	1%
Unrestricted	1,196,957	671,193	78%
Total net position	\$ 1,863,437	\$ 1,334,312	40%

The District's total revenues increased by 75% from \$772,384 in 2019 to \$1,351,084 in 2020 primarily as a result of a increase in the amount of Ad Valorem taxes and federal grants received in 2020. Total expenses decreased by 3% from \$843,151 in 2019 to \$821,959 in 2020. This decrease was mainly attributable to a decrease in repairs and maintenance expenditures.

Changes in Net Position

	2020	2019	% Change
Revenues			
Taxes	1,079,249	720,987	50%
Intergovernmental revenues	14,283	16,945	-16%
Grant revenue	251,796	-	100%
Dividend revenue	-	19,286	-100%
Other revenues	5,756	15,166	-62%
Total revenues	1,351,084	772,384	75%
Expenses			
Operating	680,526	713,007	-5%
Depreciation	141,433	130,144	9%
Total expenses	821,959	843,151	-3%
Change in net position	529,125	(70,767)	-848%

Governmental Fund Financial Analysis

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As a measure of the District's liquidity, it may be useful to compare fund balance to total expenditures. Fund balance represents 181% of total fund operating expenditures.

The fund balance of the District increase by \$525,764 during the current year.

Budgetary Highlights

The District's annual budget is the legally adopted expenditure control document of the District. A budgetary comparison statement is required and can be found on pages 23 and 24. This statement compares the original adopted budget, the budget if amended throughout the year, and the actual expenditures prepared on a budgetary basis.

Actual revenues of \$1,351,084 were more than budgeted revenues of \$1,044,023 by \$307,061 while actual expenditures of \$825,320 were less than budgetary expenditures of \$1,202,945 by \$377,625.

Capital Assets

At December 31, 2020 and 2019, the District had \$1,239,002 and \$1,168,593, respectively, invested in a broad range of capital assets, including buildings, vehicles, and equipment. Further detail on capital assets is presented in Note 4 on page 20 and 21.

Long-Term Debt

During 2014 the District entered into certificates of indebtedness in the amount of \$1,084,390 for the purposes of acquiring new fire protection vehicles and paying off existing capital lease obligations and construction loans. At the end of the year, the amount owed on the certificates of indebtedness was \$502,113.

During 2017 the District entered into a capital lease agreement in the amount of \$31,232 for the purposes of acquiring a new vehicle. This lease was paid off during the year.

Further information on long-term debt is presented in Notes 5, 6, 11, and 12 on page 20 and 21.

Economic Factors and Next Year's Budget

The District serves a population estimated at approximately 2,500 utilizing both contract and volunteer firefighters. Through the efforts of these firefighters the District has attained an IRC In Rating of 5 and a IRC Out Rating of 5, which means that insurance rates for the taxpayers in the District were lowered due mainly to acquisitions and improvements to equipment and the efforts of the volunteer firemen.

The recap below of assessed property valued by year from 2000 to 2020 which shows that the District has shown some economic progress during that time frame.

Year	Mills Levied	Assessed Value	Homestead Exemption	Tax to be Paid by Owner	Tax to be Paid by State	Total Tax
2000	5.6	12,794,574	2,469,156	57,822	13,827	71,649
2001	5.54	13,707,458	2,479,831	62,201	13,738	75,939
2002	5.54	12,275,127	2,629,291	68,005	14,567	82,571
2003	5.54	11,551,127	2,648,426	63,994	14,673	78,666
2004	5.54	17,479,615	2,724,770	96,837	15,095	111,933
2005	6.53	14,687,740	2,770,480	95,912	18,091	114,003
2006	6.53	16,292,585	2,771,040	106,391	18,095	124,487
2007	6.53	15,719,728	2,846,410	102,651	18,587	121,238
2008	6.46	19,145,611	3,000,940	123,681	19,386	143,067
2009	6.46	20,425,840	3,050,580	131,951	19,707	151,658
2010	6.46	29,034,860	3,055,230	187,565	19,737	207,302
2011	6.5	29,113,230	3,062,600	189,241	19,910	209,151
2012	6.5	30,941,644	3,067,236	201,126	19,940	221,066
2013	6.5	34,090,384	3,094,636	221,593	20,118	241,711
2014	6.5	39,023,944	3,048,586	253,661	19,819	273,480
2015	6.5	70,291,154	3,058,556	456,898	19,884	476,782
2016	6.5	92,562,186	3,386,364	601,660	22,014	623,675
2017	6.5	85,479,782	3,427,438	555,619	22,278	577,897
2018	6.5	96,270,622	3,398,918	625,759	22,093	647,852
2019	6.5	84,540,024	3,447,246	549,510	22,407	571,917
2020	6.5	137,745,702	3,466,338	895,347	22,531	917,878

Requests for Information

This financial report is designed to provide a general overview of the District’s finances for all those with an interest in the District’s finances. If you have questions about this report or need additional financial information, contact Robert Allen, Chairman for the Fire Protection District No. 1 of the Parish of Pointe Coupee, Louisiana at (225) 492-3100.

BASIC FINANCIAL STATEMENTS

The government-wide financial statements, presented on pages 11 Statement of Net Position and 12 Statement of Activities, are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The Statement of Net Position includes capital assets and long-term debt and the Statement of Activities includes depreciation as an expense of operations.

The governmental funds, presented on pages 13 Balance Sheet and 14 and 15 Statement of Revenues, Expenditures, and Changes in Fund Balance, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the Balance Sheet does not report capital assets or long-term debt and the Statement of Revenues, Expenditures, and Changes in Fund Balance includes capital acquisitions, annual debt service, and excludes depreciation.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 343,894
Receivables	
Ad valorem taxes	856,737
Sales taxes	34,203
Total current assets	<u>1,234,834</u>
Capital assets, net of accumulated depreciation:	
Land	30,000
Buildings	775,603
Vehicles	235,907
Firefighting equipment and tools	127,083
Total capital assets (net)	<u>1,168,593</u>
Other assets	
Prepaid expenses	32,619
Deposits	125
	<u>32,744</u>
Total Assets	<u><u>\$ 2,436,171</u></u>
LIABILITIES	
Current Liabilities	
Accrued interest payable	\$ 10,388
Accounts payable	25,301
Amount due to retirement system	34,932
Long-term liabilities due in less than one year	
Certificates of indebtedness	65,231
Total current liabilities	<u>135,852</u>
Due in more than one year	
Certificates of indebtedness	436,882
Total Liabilities	<u>572,734</u>
NET POSITION	
Invested in capital assets, net of related debt	666,480
Unrestricted	1,196,957
Total Net Position	<u>1,863,437</u>
Total liabilities and net position	<u><u>\$ 2,436,171</u></u>

See accompanying independent auditors' report and footnotes.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u>		<u>Net Governmental Activities</u>
			<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
Public safety	\$ 804,117	\$ -	\$ -	\$ -	\$ (804,117)
Interest on long-term debt	17,842	-	-	-	(17,842)
Total Governmental Activities	\$ 821,959	\$ -	\$ -	\$ -	\$ (821,959)
General Revenues:					
Taxes:					
Property tax, levied for fire protection					
					\$ 895,347
Sales					
					183,902
General intergovernmental revenues					
					14,283
Federal grants					
					251,796
Miscellaneous revenues					
					<u>5,756</u>
					<u>1,351,084</u>
					529,125
					<u>1,334,312</u>
					<u>\$ 1,863,437</u>

See accompanying independent auditors' report and footnotes.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General Fund
ASSETS	
Cash	\$ 343,894
Receivables	
Ad valorem	856,737
Sales tax	34,203
Prepaid expenses	32,619
Deposits	125
Total Assets	\$ 1,267,578
 LIABILITIES AND FUND BALANCES	
Liabilities	
Accrued interest payable	\$ 10,388
Accounts payable	25,301
Amount due to retirement system	34,932
Total Liabilities	70,621
Fund Balances:	
Unassigned	1,196,957
Total Fund Balances	1,196,957
Total Liabilities and Fund Balances	\$ 1,267,578

Reconciliation of the Statement of Net Position of Governmental Funds to the Balance Sheet:

Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balance per balance sheet	\$ 1,196,957
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,168,593
Long-term liabilities, including certificates of indebtedness are not due and payable in the current period and therefore are not reported in the funds.	(502,113)
Net position of governmental activities	\$ 1,863,437

See accompanying independent auditors' report and footnotes.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>General Fund</u>
Revenues	
Taxes	
Ad valorem	\$ 895,347
Sales	183,902
Intergovernmental revenues	14,283
Federal grants	251,796
Other revenue	5,756
Total Revenues	1,351,084
Expenditures	
Current operations	
Board fees	2,570
Building and grounds maintenance	12,526
Contract labor	12,350
Emergency fees	14,727
Equipment maintenance	12,490
Insurance	50,378
Legal and professional	22,039
Miscellaneous	6,880
Payroll taxes	42,177
Salaries	394,554
Supplies and protective gear	9,557
Tax collector fees	34,932
Telephone	6,150
Training and fire prevention	1,749
Utilities	13,352
Vehicle maintenance	26,013
Volunteer fire department expense	240
Capital outlays	
Vehicles	37,221
Buildings and improvements	9,446
Equipment	24,357
Debt service	
Principal retirement	73,770
Interest expense	17,842
Total Expenditures	825,320
Excess of revenue over expenditures	525,764

See accompanying independent auditors' report and footnotes.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Net change in fund balance	525,764
Fund Balance, Beginning of Year	<u>671,193</u>
Fund Balance, End of Year	<u><u>\$ 1,196,957</u></u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

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

Net change in fund balance - total governmental funds	\$ 525,764
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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 capital outlays exceeded the depreciation expense in the current period.

Capital outlay	71,024
Depreciation expense	<u>(141,433)</u>
	(70,409)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Principal payment on debt	<u>73,770</u>
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Change in net position of governmental activities	<u><u>\$ 529,125</u></u>
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See accompanying independent auditors' report and footnotes.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 - INTRODUCTION

On July 14, 1981, the Fire Protection District No. 1 of the Parish of Pointe Coupee, Louisiana was created by a resolution of the Pointe Coupee Parish Police Jury under authority of Louisiana Revised Statute 40:1491. The District operates under a commission form of government and provides fire protection services to all the territory situated within historical Wards 1, 2, and 3 of Pointe Coupee Parish. In accordance with LRS 40:1494, the District is managed by a board of five commissioners appointed by the Pointe Coupee Parish Police Jury. The Chairman is elected by these commissioners. These five commissioners accept no compensation although per diem is allowed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Reporting Entity

The District is a political body and a corporate and political subdivision of the Pointe Coupee Parish Police Jury.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Pointe Coupee Parish Police Jury or the general government services provided by that governmental unit.

No component units were identified for inclusion in the District's financial statements.

Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting on the district as a whole) and fund financial statements (reporting the district's major funds). Both of these statements are designed to categorize primary activities as either governmental or business type activities. All activities for the District are classified as governmental.

The government-wide financial statements include the statement of net position and the statement of activities. These statements are presented on the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem tax revenues are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The government wide statement of activities shows the amount by which the direct expenses of a functional category (Public Safety) are offset by program revenues.

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long term debt. Governmental funds of the District include:

General Fund – The general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

Government fund level 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. Tax revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues availability period is generally considered to be one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when the liability has matured and payment is due.

Cash

Cash includes monies held in checking and savings accounts. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks with principal offices in Louisiana.

Cash deposits are reported at carrying amount which reasonably estimates fair value.

Capital Assets and Depreciation

The District's property and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The District generally capitalizes assets with cost of \$500 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Uniforms and protective gear which are susceptible to excessive wear and tear and fire code regulations are expensed when incurred.

When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Capital assets are depreciated using the straight-line method over the estimated useful lives, in years, for depreciable assets as follows:

Buildings	10-40 Years
Vehicles	5-20 Years
Firefighting equipment and tools	5 Years
Furniture, fixtures, and office equipment	3 Years

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity Classifications

Equity is classified as net position and displayed in two components:

Investment in capital assets, net of related debt – 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.

Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Property Taxes

The Sheriff of Pointe Coupee Parish, as provided by State Law, is the official tax collector of general property taxes levied by the Parish. By agreement, the Sheriff receives a commission of approximately 3.9%.

Property taxes are levied and notices are mailed out in mid November of the year. All taxes are due by December 31 of the year and are delinquent on January 1 of the next year, which is also the lien date.

State Law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If taxes are not paid by the due date of December 31, the taxes bear interest at one and one-fourth percent (1.25%) per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Property taxes are recognized as revenue in the year for which they are levied and become due. The majority of the year's taxes are usually collected by the Sheriff in November and December of the year they are levied and remitted to the District in December of the year they are levied and the January following the year they are levied. Any amounts not collected at December 31 are shown as accounts receivable.

For the year ended December 31, 2020, taxes of \$895,347 were levied on property with assessed valuations totaling \$137,745,702 at the rate of 6.5 mills. Taxes are levied for the purpose of purchasing, maintenance, and operation of the District's fire protection facilities, vehicles, and equipment.

Sales Tax

On April 2, 2005, the voters of Pointe Coupee Parish approved the levy and collection of a 1/4 percent sales and use tax dedicated to the purpose of providing for fire protection throughout the Parish of Pointe Coupee, Louisiana, by assisting the five existing fire protection districts within said Parish to pay operating, maintenance and capital improvement costs within the respective corporate limits of each of said Districts to be shared equally. Sales tax revenues are collected by the Pointe Coupee Parish Police Jury and are generally remitted to the District on a monthly basis. Sales tax revenue is recognized as revenues for the month reported and collected by the Pointe Coupee Parish Police Jury.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Grants

The District receives federal grants from a variety of sources. The majority of the federal grant revenue is from FEMA in the amount of \$245,010 and was awarded on September 30, 2020 for the purpose of acquiring new firefighting equipment. Funds are expected to be used for the stated purpose during fiscal year 2021.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires 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 and expenses during the reporting period. Actual results could differ from those estimates.

Budgetary Information

The policy and practice of the District is for the Fire Chief to submit an annual budget for the General Fund to the Board for approval and adoption.

The General Fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source and expenditures are budgeted by function. The legal level of control is by function within the General Fund. Expenditures may not exceed appropriations at this level. The General Fund budget is prepared on the modified accrual basis. The budget and actual financial statement is reported on this basis. Unencumbered appropriations for annually budgeted funds lapse at fiscal year end.

Long-Term Obligations

Expenditures for principal and interest payments are recognized in the governmental funds when due.

NOTE 3 – CASH

At December 31, 2020, the status of deposited funds and collateralized balances are as follows:

Noninterest-bearing demand deposits-unrestricted	\$ 367,658
Secured by unlimited federal deposit insurance	367,658
Unsecured/uncollateralized	\$ -

Cash is stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. The fiscal agent bank for the District participates in the FDIC's Transactions Account Guarantee program. This program provides depositors with unlimited coverage for noninterest-bearing transaction accounts at participating FDIC-insured institutions.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 – CAPITAL ASSETS

Amounts invested and changes in capital assets for governmental activities are as follows:

	<u>2019</u>	<u>Increase</u>	<u>Decrease</u>	<u>2020</u>
Capital Assets				
Land	\$ 30,000	\$ -	\$ -	\$ 30,000
Buildings	1,050,949	9,446	-	1,060,395
Vehicles	1,156,035	37,221	-	1,193,256
Firefighting equipment and tools	528,092	20,009	-	548,101
Furniture, fixtures, and equipment	21,136	4,348	-	25,484
Total Capital Assets	<u>2,786,212</u>	<u>71,024</u>	<u>-</u>	<u>2,857,236</u>
Less: Accumulated Depreciation				
Buildings	257,829	26,963	-	284,792
Vehicles	888,942	68,407	-	957,349
Firefighting equipment and tools	381,413	44,833	-	426,246
Furniture, fixtures, and equipment	19,026	1,230	-	20,256
Total Accumulated Depreciation	<u>1,547,210</u>	<u>141,433</u>	<u>-</u>	<u>1,688,643</u>
Net Capital Assets for Governmental Activities	<u>\$ 1,239,002</u>	<u>\$ (70,409)</u>	<u>\$ -</u>	<u>\$ 1,168,593</u>

NOTE 5 – CERTIFICATES OF INDEBTEDNESS

On April 29, 2013 the board authorized the incurring of debt by issuing certificates of indebtedness in the amount of \$1,100,000 for the purpose of acquiring new fire vehicles, paying off existing debt, and to pay for the cost of issuing the certificates. These certificates were approved by the state bond commission at its meeting on March 21, 2013. Of the \$1,100,000 authorized by the board \$1,084,390 were issued as debt.

The debt matures 15 years from the issue date and shall initially bear an interest rate of 3.15% for the first 10 years and 2.20% for the next 5 years. The certificates will be repaid in one annual payment on June 1st of \$107,113 for the first 4 years and \$81,036 thereafter.

The amounts due on the certificates of indebtedness for the next five years and in five year increments thereafter are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	65,231	15,816	81,047
2022	67,286	13,761	81,047
2023	69,405	11,642	81,047
2024	71,591	9,456	81,047
2025	73,847	7,200	81,047
Thereafter	154,753	7,349	162,102
	<u>\$ 502,113</u>	<u>\$ 65,224</u>	<u>\$ 567,337</u>

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 6 – CHANGES IN GENERAL LONG TERM OBLIGATIONS

	2019	New Debt	Principal Paid	2020
Certificates of indebtedness	\$ 565,343	\$ -	\$ (63,230)	\$ 502,113

NOTE 7 - LAND LEASE

On September 15, 2014 the District signed a 99 year lease for land owned by the Port Commission. The purpose of the lease is to build substation to have the ability to house fire and protection equipment in the Lettsworth area. Payments under this lease are forgiven in lieu of providing fire protection services.

NOTE 8 - RISK RETENTION

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee medical insurance; and natural disasters. The District carries commercial insurance for risks of loss or damage to property, general liability, and medical insurance. There were no significant reductions in insurance coverage in 2020 from coverage in the prior year.

NOTE 9 - COMPENSATION PAID TO BOARD MEMBERS

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, per diem paid to board members is as follows:

Robert Allen	\$ 360
Shirley Best	420
Allen Monk	360
Ruth Anne Rodgers	650
Tamarcus Polk	420
Duncan Mascote	360
	\$ 2,570

NOTE 10 – SUBSEQUENT EVENTS

In preparing these financial statements, the District have evaluated events and transactions for potential recognition or disclosure through June 18, 2021, which is the date the financial statements were available to be issued.

NOTE 11 - VEHICLE LEASE

On September 18, 2017 the board authorized financing the purchase of a new truck by capital lease through the Government Capital Corporation. The lease agreement was entered into in November of 2017. Terms of the lease are a beginning principal balance of \$31,232, payable in 3 annual payments of \$10,895. There was a fixed rate on the lease of 3.37%. This lease was paid off during the year.

REQUIRED SUPPLEMENTARY INFORMATION

The following Budgetary Comparison Schedule – General Fund is required by GASB 34. The schedule presents the original adopted budget and final budget for the fiscal year and compares the final budget to actual operations of the District

State Law requires the District to amend its budget when projected actual revenues and surplus is 5% below the adopted budget or when projected actual expenditures exceed 5% of the adopted budget. For the year ended December 31, 2020, actual revenues were 29% more than the final appropriated budget and actual expenditures were 31% less than the final appropriated budget.

The difference in budgeted to actual expense is attributable to the fact that the budget is prepared on a cash basis while the financials are prepared on the accrual basis.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE-CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual (GAAP)	Actual (Cash)	Variance with	Percentage
	Cash Basis				Final Budget	
	Original	Final			Positive (Negative)	
Revenues						
Taxes						
Ad valorem	\$ 601,653	\$ 578,260	\$ 895,347	\$ 533,476	\$ 317,087	55%
Sales	193,211	182,000	183,902	208,259	1,902	1%
Federal grants	-	251,796	251,796	251,796	-	0%
Intergovernmental revenues						
State fire insurance rebate	23,285	11,311	11,311	11,311	-	0%
State revenue sharing	14,891	14,891	2,972	2,972	(11,919)	-80%
Other	-	5,765	5,756	5,765	(9)	100%
Total Revenues	833,040	1,044,023	1,351,084	1,013,579	307,061	29%
Expenditures						
Current operations						
Board fees	2,500	2,500	2,570	2,570	(70)	3%
Building and grounds maintenance	16,000	14,640	12,526	12,526	2,114	-14%
Contract labor	19,100	21,600	18,639	18,639	2,961	-14%
Emergency fee	10,000	14,727	14,727	14,727	-	0%
Equipment maintenance	7,500	14,076	12,490	5,415	1,586	-11%
Insurance	46,500	67,531	50,378	75,634	17,153	-25%
Legal and professional	20,500	23,000	22,039	22,039	961	-4%
Miscellaneous	22,100	25,291	14,957	13,978	10,334	-41%
Payroll taxes	110,000	35,893	28,688	28,688	7,205	-20%
Salaries	480,000	402,400	394,554	394,554	7,846	-2%
Supplies and protective gear	25,500	20,000	8,680	8,680	11,320	-57%
Tax collector fees	25,030	25,030	34,932	23,222	(9,902)	40%
Telephone	5,000	6,500	6,150	6,150	350	-5%

See accompanying independent auditors' report and footnotes.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE-CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual (GAAP)	Actual (Cash)	Variance with	Percentage
	Cash Basis				Final Budget	Variance with
	Original	Final			Positive	Final Budget
Training and fire prevention	16,200	16,200	1,749	1,749	14,451	-89%
Utilities	15,000	15,000	13,352	13,352	1,648	-11%
Vehicle maintenance	45,000	50,000	26,013	26,013	23,987	-48%
Volunteer fire department expense	500	500	240	240	260	-52%
Capital outlays	89,000	365,019	71,024	71,024	293,995	-81%
Debt service	83,038	83,038	91,612	17,842	(8,574)	10%
Total Expenditures	1,038,468	1,202,945	825,320	757,042	377,625	-31%
Expenditures in Excess of Revenue	(205,428)	(158,922)	525,764	256,537	684,686	-431%
Net Change in Fund Balance	(205,428)	(158,922)	525,764	256,537	(684,686)	-431%
Fund Balances, Beginning of Year	395,741	462,840	671,193	1,171,594	(208,353)	45%
FUND BALANCES, END OF YEAR	\$ 190,313	\$ 303,918	\$ 1,196,957	\$ 1,428,131	\$ (893,039)	294%

See accompanying independent auditors' report and footnotes.

OTHER SUPPLEMENTARY INFORMATION

The following pages contain a schedule of compensation paid to the agency head.

The following pages also contain a report on compliance with laws and regulations and on internal control over financial reporting as required by Government Auditing Standards, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material misstatements in internal control or compliance matters that would be material to the presented financial statements.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, NEW ROADS, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO THE AGENCY HEAD**

Agency Head: Robert Allen

<u>Purpose</u>	<u>Amount</u>
Board per diems	\$ 360

See accompanying independent auditors' report and footnotes.

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

To the Board of Commissioners
Fire Protection District No. 1 of the
Parish of Pointe Coupee
Batchelor, 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 each major fund of the Fire Protection District No. 1 of the Parish of Pointe Coupee (the "District") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 18, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Daigrepont & Brian, APAC

Baton Rouge, LA

June 18, 2021

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2020**

We have audited the financial statements of the governmental activities and each major fund of the Fire Protections District No. 1 of the Parish of Pointe Coupee, Louisiana, (the "District"), as of December 31, 2020 for the year ended, and have issued our report thereon dated June 18, 2021. 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.

Summary of Auditors' Report

Financial Statements

Type of auditors' report issued:	Unqualified
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

Findings - Financial Statement Audit

There are no findings for the year ended December 31, 2020.

Questioned Costs

There are no questioned costs for the year ended December 31, 2020.

**FIRE PROTECTION DISTRICT NO. 1 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
DECEMBER 31, 2019**

Summary of Prior Audit Findings

There were no findings or questioned cost for the year ended December 31, 2019.