

**Bienville Parish Ward 4 & 5  
Fire Protection District  
Ringgold, Louisiana**

**Financial Statements With Auditor's Report**

**As of and For the Year Ended December 31, 2020**

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana

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## Independent Auditors' Report

Board of Commissioners  
Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana

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

We have audited the accompanying financial statements of the governmental activities and major fund of Bienville Parish Ward 4 & 5 Fire Protection District, a component unit of the Bienville Parish Police Jury, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Bienville Parish Ward 4 & 5 Fire Protection 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.

### ***Auditors' 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes 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 major fund of Bienville Parish Ward 4 & 5 Fire Protection District as of December 31, 2020, and the respective changes in financial position thereof for the year then ended in accordance 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 budgetary comparison information on pages 26-27, the Schedule of Contributions on page 28, and the Schedule of Proportionate Share of Net Pension Liability on page 29, 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.

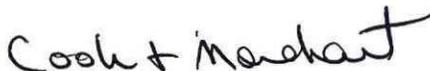
Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bienville Parish Ward 4 & 5 Fire Protection District's basic financial statements. The other supplementary information listed in the table of contents and shown on pages 30-31 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relates 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 information 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 June 25, 2021, on our consideration of Bienville Parish Ward 4 & 5 Fire Protection 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 Bienville Parish Ward 4 & 5 Fire Protection 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 Bienville Parish Ward 4 & 5 Fire Protection District's internal control over financial reporting and compliance.



Cook & Morehart  
Certified Public Accountants  
June 25, 2021

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Statement of Net Position  
December 31, 2020

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,107,398
Accounts receivable - ad valorem	1,093,334
Prepaid expenses	9,714
Capital assets	
Depreciable (net)	2,737,628
Non-depreciable	16,650
Total assets	4,964,724
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	480,536
<b>LIABILITIES</b>	
Current	
Accounts payable	46,017
Accrued expenses	22,210
Non-current liabilities	
Due within one year	114,773
Due in more than one year	1,319,863
Total liabilities	1,502,863
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue	
Ad valorem taxes	1,093,409
Pension related	77,702
Total deferred inflows of resources	1,171,111
<b>NET POSITION</b>	
Net investment in capital assets	2,525,213
Unrestricted	246,073
Total net position	\$ 2,771,286

See accompanying notes to the basic financial statements.

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Statement of Activities  
For the Year Ended December 31, 2020

GOVERNMENTAL ACTIVITIES

Expenses:

General government	\$ 33,371
Public safety - fire protection	1,436,317
Interest on long term debt	9,584
Total expenses	1,479,272

Program revenues:

Operating grants and contributions	122,261
Capital grants and contributions	8,500
Total program revenues	130,761
Net program expenses	(1,348,511)

General revenues:

Ad valorem taxes	955,106
Intergovernmental	
Fire insurance rebate	15,737
Interest and dividends	19,476
Royalties	10,181
Miscellaneous	1,045
Total general revenues	1,001,545
Change in net position	(346,966)

Net position - beginning	3,118,252
Net position - ending	\$ 2,771,286

See accompanying notes to the basic financial statements.

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Balance Sheet  
Governmental Fund  
December 31, 2020

	General Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 1,107,398
Accounts receivable	1,093,334
Total assets	\$ 2,200,732
<b>Liabilities</b>	
Accounts payable	\$ 46,017
Accrued expenses	22,210
Total liabilities	68,227
<b>Deferred inflows of resources</b>	
Unavailable revenue	
Ad valorem taxes	1,093,409
Total deferred inflows of resources	1,093,409
<b>Fund balance</b>	
Unassigned	1,039,096
Total fund balance	1,039,096

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	2,754,278
The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.	9,714
Other long-term assets and other amounts are not available to pay for current-period expenditures and therefore are not available in the governmental funds.	
Deferred outflows - pension related	480,536
Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds.	
Other	(1,838)
Capital Lease	(229,065)
Net pension liability	(1,203,733)
Deferred inflows - pension related	(77,702)
Net position of governmental activities	\$ 2,771,286

See accompanying notes to the basic financial statements.

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund  
For the Year Ended December 31, 2020

	General Fund
Revenues	
Ad valorem taxes	\$ 955,106
Intergovernmental	
Fire insurance rebate	15,737
Supplemental pay	53,567
Grant	2,385
Calcasieu Parish-Hurricane Laura reimbursement	17,654
Interest and dividends	19,476
Royalties	10,181
Miscellaneous	1,045
	1,075,151
Expenditures	
Current:	
General government	33,372
Public Safety	961,670
Capital outlay	374,610
Debt service:	
Principal retirement	109,829
Interest and other charges	9,584
	1,489,065
Excess of revenues over (under) expenditures	(413,914)
Fund balance at beginning of year	1,453,010
Fund balance at end of year	\$ 1,039,096

See accompanying notes to the basic financial statements.

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, 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 December 31, 2020

Net change in fund balance - total governmental fund \$ (413,914)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$374,610) exceeded depreciation (\$314,101) in the current period. 60,509

The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources. (446)

The net effect of various transactions involving capital assets (sales, trade-ins, donated infrastructure, etc.) is to increase net assets. 8,500

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Capital Lease payments	109,829
Non-employer contributions to cost-sharing pension plan	48,655

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

Pension expense	(160,099)
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Change in net position of governmental activities	\$ (346,966)
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See accompanying notes to the basic financial statements.

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020

## INTRODUCTION

The Bienville Parish Ward 4 & 5 Fire Protection District (the District) was created by the Bienville Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492, on May 11, 1988. The District is governed by a five member board of which two members are appointed by the police Jury, one each by the Village of Jamestown and the Town of Ringgold, respectively, and one by the other four members of the board. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district.

### (1) Summary of Significant Accounting Policies

The Bienville Parish Ward 4 & 5 Fire Protection District's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Bienville Parish Ward 4 & 5 Fire Protection District are discussed below.

#### A. Reporting Entity

The District is a component unit of the Bienville Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the District because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them.

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

#### B. Basic Financial Statements – Government-Wide Statements

The Bienville Parish Ward 4 & 5 Fire Protection District's basic financial statements include both government-wide (reporting the funds maintained by the Bienville Parish Ward 4 & 5 Fire Protection District as a whole) and fund financial statements (reporting the Bienville Parish Ward 4 & 5 Fire Protection District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Bienville Parish Ward 4 & 5 Fire Protection District's general fund is classified as governmental activities. The Bienville Parish Ward 4 & 5 Fire Protection District does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables. The Bienville Parish Ward 4 & 5 Fire Protection District's net position are reported in two parts – investment in capital assets (net of related debt), and unrestricted net position.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the Bienville Parish Ward 4 & 5 Fire Protection District's functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. The District's program revenues consist of non-employer contributions to cost-sharing pension plan, state grants, and other state funds. The net costs (by function) are normally covered by general revenues.

This government-wide focus is more on the sustainability of the Bienville Parish Ward 4 & 5 Fire Protection District as an entity and the change in the Bienville Parish Ward 4 & 5 Fire Protection District's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Bienville Parish Ward 4 & 5 Fire Protection District are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Bienville Parish Ward 4 & 5 Fire Protection District:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the Bienville Parish Ward 4 & 5 Fire Protection District:

- a. General funds are the general operating funds of the Bienville Parish Ward 4 & 5 Fire Protection District. They are used to account for all financial resources except those required to be accounted for in another fund.

The emphasis in fund financial statements is on the major funds in the governmental category. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District's general fund was determined to be a major fund.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Revenues of the Bienville Parish Ward 4 & 5 Fire Protection District consist principally of property taxes, other intergovernmental revenues, donations, and interest income. Property taxes are recorded in the year for which the taxes are levied and budgeted. Property taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. The 2020 tax levy is intended to fund the 2021 fiscal year; therefore, the levy has been recorded as a receivable and deferred inflows of resources. Interest income is recorded when earned. Donations and other intergovernmental revenues are recorded when received in cash because they are generally not measurable until actually received.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this rule is that principal and interest on general obligation long-term debt, if any, is recognized when due. Depreciation is not recognized in the governmental fund financial statements.

E. Budgets

The District uses the following budget practices:

1. A preliminary budget for the ensuing year is prepared by the fire chief prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year.
2. After completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution.
3. All budgetary appropriations lapse at the end of each fiscal year.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

4. The budget is established and controlled by the board of commissioners at the object level of expenditure. All changes in the budget must be approved by the board.
5. The budget is adopted on a cash basis for all funds. The original budget was amended two times during 2020. The amendments are reflected in the budgetary comparisons included in the accompanying financial statements.

F. Cash, Cash Equivalents, and Investments

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

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost, which approximates market.

G. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20 – 40 years
Machinery and equipment	5 – 10 years
Vehicles	5 – 15 years

H. Compensated Absences

Forty hour week employees receive 18 days of vacation between one and four years of service. An additional two days is then earned after every three years of service with a maximum of 30 days at 20 years of service or more.

Twenty-four hour shift employees receive 9 shifts of vacation between one and four years of service. An additional two shifts is then earned after every three years of service with a maximum of 15 shifts at 20 years of service or more.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

Forty hour week employees are allowed to carry over two vacation days to the next year. Twenty-four hour shift employees are allowed to carry over two shifts to the next year. Upon termination of employment, employees are paid for unused vacation time that they are eligible for according to the policy.

Only full time 40 hour week and full time 24 hour shift employees are eligible for sick time. Each classified employee is entitled to 52 weeks of sick leave. Unused sick leave is not paid upon separation of service.

I. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

J. Deferred Inflows / Outflows of Resources

The District's governmental activities and governmental funds report 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 and so will not be recognized as an inflow of resources (revenue) until that time. On the fund balance sheet, the District reports unavailable revenue from property taxes and other amounts. On the statement of net position, the District reports unavailable revenue from property taxes and pension-related amounts. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or the period for which they are levied and budgeted.

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 (expense/expenditure) until then. The District has deferred outflows of resources related to pensions reported in the government-wide statement of net position.

K. Net Position

Government-wide net position is divided into two components: Net investment in capital assets consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. All other net position is reported as unrestricted net position. When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the district's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

L. Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

1. Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted – amounts that can be spent only for specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed - amounts that can be used only for the specific purposes as a result of constraints imposed by the board of commissioners (the district's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the board of commissioners remove those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned - amounts that are constrained by the district's intent to be used for specific purposes, but are neither restricted nor committed.
5. Unassigned - all amounts not included in other spendable classifications

The district's policy is to apply expenditures against restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

M. Pension Plan

The District is a participating employer in a cost-sharing, multiple-employer, defined benefit pension plans as described in Note 8. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plans fiduciary net position, have been determined on the same basis as they are reported by the plan.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
 Ringgold, Louisiana  
 Notes to Financial Statements  
 December 31, 2020  
 (Continued)

(2) Levied Taxes

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

	Authorized Millage	Levied Millage	Expiration Date
General Maintenance	3.73	3.73	2027
Operations and maintenance	5.18	5.18	2021

The operations and maintenance levy was renewed in an election dated November 3, 2020, for a period of ten years covering 2022 – 2031.

(3) Cash and Cash Equivalents

At December 31, 2020, the District had cash and cash equivalents (book balances) totaling \$1,107,398, as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2020 (book balances) totaled \$1,107,398. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2020, \$872,280 of the District's bank balance of \$1,122,280 was exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging bank's trust department,  
not in the District's name:

Cash and Cash equivalents	\$ 872,280
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(4) Accrued Expenses

Accrued expenses at December 31, 2020 consisted of the following:

Payroll related	\$ 6,733
Retirement payable	15,477
Total	\$ 22,210

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to the Financial Statements  
December 31, 2020  
(Continued)

(5) Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balance at Jan. 1, 2020	Additions	Deletions	Balance at Dec. 31, 2020
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 16,650	\$	\$	\$ 16,650
Total capital assets, not being depreciated, at historical cost	<u>16,650</u>			<u>16,650</u>
Capital assets, being depreciated:				
Buildings	1,415,978			1,415,978
Machinery & Equipment	713,338			713,338
Vehicles	3,708,868	383,110	(95,660)	3,996,318
Total capital assets, being depreciated, at historical cost	<u>5,838,184</u>	<u>383,110</u>	<u>(95,660)</u>	<u>6,125,634</u>
Less accumulated depreciation:				
Buildings	(493,413)	(35,399)		(528,812)
Machinery & Equipment	(475,737)	(48,353)		(524,090)
Vehicles	(2,200,415)	(230,349)	95,660	(2,335,104)
Total accumulated depreciation	<u>(3,169,565)</u>	<u>(314,101)</u>	<u>95,660</u>	<u>(3,388,006)</u>
Total capital assets, being depreciated, net	<u>2,668,619</u>	<u>69,009</u>		<u>2,737,628</u>
Governmental capital assets, net	<u>\$ 2,685,269</u>	<u>\$ 69,009</u>	<u>\$</u>	<u>\$ 2,754,278</u>

Depreciation expense for the year ended December 31, 2020, was \$314,101.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

(6) Leases

For the year ended December 31, 2020, the District had one operating lease on certain equipment that is utilized by the district. Payments made on this lease for the year ended December 31, 2020, were \$2,067. The minimum annual commitments under noncancelable operating leases are as follows:

Year Ending December 31,

2021	\$	1,800
2022		1,800
2023		<u>600</u>
Total		<u>\$ 4,200</u>

(7) Long-term Liabilities

Long-term liability activity for the year ended December 31, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 1,838		\$	\$ 1,838	\$ 1,838
Capital lease - truck	338,894		( 109,829)	229,065	112,935
Net pension liability	<u>1,076,122</u>	<u>127,611</u>		<u>1,203,733</u>	
Total long-term liabilities, governmental activities	<u>\$ 1,416,854</u>	<u>\$ 127,611</u>	<u>\$( 109,829)</u>	<u>\$ 1,434,636</u>	<u>\$ 114,773</u>

Capital Lease – Fire Truck

During 2015, the District entered into a capital lease agreement to purchase a fire truck. The lease agreement qualifies as a capital lease for accounting purposes. The truck is included in capital assets at a cost of \$748,825, with accumulated depreciation totaling \$245,448 as of December 31, 2020. Interest has been imputed at a rate of 2.792%, and the District will make annual payments through November 2022. A security interest constituting a first lien on the fire truck has been granted to the lessor. The debt service requirements to maturity are as follows:

<u>Year Ending December 31,</u>	
2021	\$ 119,413
2022	<u>119,414</u>
Total minimum lease payments	238,827
Less amounts representing interest	<u>( 9,762)</u>
Present value of minimum lease payments	<u>\$ 229,065</u>

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

(8) Pension Plan

The District participates in the State of Louisiana Firefighters' Retirement System (System), 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.

**PLAN DESCRIPTION**

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.

**Eligibility Requirements**

Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980 shall become a member as a condition of employment. Membership in the System is a condition of employment for any full-time firefighters (or any person in a position as defined in the municipal fire and police civil service system) who earn at least \$375 per month, excluding state supplemental pay, and are employed by any municipality, parish, or fire protection district of the State of Louisiana in addition to employees of the Firefighters' Retirement System.

No person who has attained age fifty or over shall become a member of the System, unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

**Retirement Benefits**

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

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.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

See R.S. 11:2256(A) for additional details on retirement benefits.

**Disability Benefits**

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

**Death Benefits**

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

**Deferred Retirement Option Plan**

After completing 20 years of creditable service and attaining the age of 50 years, 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 the System 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 has several options to receive their DROP benefit. A member may (1) elect to roll over all or a portion of their DROP balance into another eligible qualified plan, (2) receive a lump-sum payment from the account, (3) receive single withdrawals at the discretion of the member, (4) receive monthly or annual withdrawals, or (5) receive an annuity based on the deferred retirement option plan account balance. These withdrawals are in addition to his regular monthly benefit.

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

**Initial Benefit Option Plan**

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

**Cost of Living Adjustments (COLAs)**

Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% cost of living increase in their original benefit.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

**CONTRIBUTIONS**

Contribution requirements for employers, non-employer contributing entities, and employees are established and may be amended in accordance with Title 11 and Title 22 of the Louisiana Revised Statutes.

**Employer and Employee Contributions**

According to State statute, employer contributions are actuarially determined each year. For the year ended June 30, 2020, employer and employee contributions for members above the poverty line were 27.75% and 10.00%, respectively. The employer and employee contribution rates for those members below the poverty line were 29.75% and 8.0%, respectively. The District's contributions to the System for the years ended December 31, 2020, 2019, and 2018 were \$130,520, \$116,221, and \$95,193, respectively. Included in contributions for 2020 are contributions for the month of December 2020 in the amount of \$11,814, which were paid in 2021.

**Non-employer contributions**

According to state statute, the System receives insurance premium tax funds from the state of Louisiana. The tax is considered support from a non-employer contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue during the year ended June 30, 2020 and were excluded from pension expense. Non-employer contributions received by the System and attributable to the District during the year ended June 30, 2020 were \$48,655.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At December 31, 2020, the District reported a liability of \$1,203,733 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, 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 the historical employer contributions. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the combined contributions to the System during the year ended June 30, 2020 as compared to the total of all combined contributions to the System during the fiscal year ended June 30, 2020. At June 30, 2020, the District's proportion was .1736600%, which was an increase of .0018080% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the District recognized pension expense of \$295,410, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, \$(4,770).

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
 Ringgold, Louisiana  
 Notes to Financial Statements  
 December 31, 2020  
 (Continued)

At December 31, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 77,015
Changes of assumptions	116,363	
Net difference between projected and actual earnings on pension plan investments	132,562	
Changes in proportion and differences between employer contributions and proportionate share of contributions	161,450	687
Employer contributions subsequent to the measurement date	70,161	
Total	<u>\$ 480,536</u>	<u>\$ 77,702</u>

The District reported a total of \$70,161 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2020, which will be recognized as a reduction in net pension liability in the year ended December 31, 2021.

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

<u>Year</u>	<u>Amount</u>
2021	\$ 86,130
2022	92,367
2023	71,671
2024	52,156
2025	25,874
2026	4,475
Total	<u>\$ 332,673</u>

**ACTUARIAL METHODS AND ASSUMPTIONS**

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
 Ringgold, Louisiana  
 Notes to Financial Statements  
 December 31, 2020  
 (Continued)

For each year, the actuary determines the reasonable range of the actuarial valuation interest rate, an expected long-term portfolio rate of return and standard deviation based upon the System's target asset allocation and a thirty-year time horizon. These rates were based on an analysis of the System's portfolio along with expected long-term rates of return, standard deviations of return, and correlations between asset classes collected from a number of investment consulting firms in addition to the System's investment consultant, NEPC, L.L.C. Using these values and assuming that future portfolio returns are normally distributed, ten thousand trials of returns over the upcoming thirty years was performed. The results of these trials were organized into percentiles and a reasonable range equal to the 40th through 60th percentiles was set. For the fiscal year ended June 30, 2020, the reasonable range was set at 5.99% through 7.06% and the Board of Trustees elected to set the System's assumed rate of return at 7.00% for Fiscal 2020. For the fiscal year ended June 30, 2019, the reasonable range was set at 6.20% through 7.15% and the Board of Trustees elected to set the System's assumed rate of return at 7.15% for Fiscal 2019. The actuarial valuation interest rates selected by the board, which were within the reasonable range, were 7.00% and 7.15% for fiscal years 2020 and 2019, respectively.

The remaining actuarial assumptions utilized for this report for fiscal year 2020 are based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019, unless otherwise specified in this report. The assumptions in the report for fiscal year 2019 were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014. Additional details are given in the actuary's complete Experience Reports for each period. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2020, are as follows:

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal Cost
Estimated Remaining Service Life	7 years, closed period
Investment Rate of Return	7.00% per annum (net of investment expenses, including inflation) (decreased from 7.15% in 2019)
Inflation Rate	2.50% per annum
Salary increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases (in 2019, salary increases ranged from 14.75% in the first two years of service to 4.50% with 25 or more years of service)
Cost of Living Adjustments	Only those previously granted

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

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

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

The estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation and the G.S. Curran & Company Consultant Average study for 2020. The consultants' average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from a number of investment consultants and investment management firms. Each consultant's response included nominal expected long term rates of return. In order to arrive at long term expected arithmetic real rates of return, the actuary normalized the data received from the consultant's responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long term standard deviation and then reduced the assumption by the long term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2020.

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. Prior year's financial reports presented the long-term expected real rate of return provided by the System's investment consultant, whereas this year's report presents this information for both fiscal years 2020 and 2019 from the System's actuary. The actuary's method incorporates information from multiple consultants and investments 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 arithmetic real rates of return for each major class included in the System's target asset allocation as of June 30, 2020, are summarized in the following table:

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rates of Return</u>
Fixed income	31%	4.40%
Equity		
US Equity	26.00%	5.72%
Non-US Equity	12.00%	6.24%
Global Equity	10.00%	6.23%
Emerging Market Equity	6.00%	8.61%
Alternatives		
Real Estate	6%	4.20%
Private Equity	<u>9%</u>	10.29%
Totals	<u>100%</u>	

The discount rate used to measure the total pension liability was 7.00%. 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 and non-employer contributing entities will be made at the actuarially-determined rates approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the System's actuary. Based on these 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 TO CHANGES IN DISCOUNT RATE**

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.00%, 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 6.00% or one percentage point higher 8.00% than the current rate as of June 30, 2020.

	<u>Changes in Discount Rate</u>		
	1% Decrease	Current Discount Rate	1% Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Net Pension Liability	\$ 1,738,780	\$1,203,733	\$ 757,126

**CHANGE IN NET PENSION LIABILITY**

The changes in the net pension liability for the year ended June 30, 2020 were recognized in the current reporting period as pension expense except as follows:

*Differences between Expected and Actual Experience:*

The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as 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 pension plan.

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

*Differences between Projected and Actual Investment Earnings:*

The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period.

*Changes of Assumptions:*

The changes of assumptions about future economic or demographic factors 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 pension plan.

*Change in Proportion:*

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) 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 pensions through the pension plan.

**CONTRIBUTIONS - PROPORTIONATE SHARE**

Differences between contributions remitted to the System and the employer's proportionate share are 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 a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

**PLAN FIDUCIARY NET POSITION**

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan. Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended June 30, 2020. Access to these reports can be found on the Louisiana Legislative Auditor's website, [www.lla.la.gov](http://www.lla.la.gov).

**RETIREMENT SYSTEM AUDIT REPORT**

Firefighters' Retirement System issued a stand-alone audit report on its financial statements for the year ended June 30, 2020. Access to the audit report can be found on the System's website: [www.lafirefightersret.com](http://www.lafirefightersret.com) or on the Office of Louisiana Legislative Auditor's official website: [www.lla.la.gov](http://www.lla.la.gov).

(Continued)

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Financial Statements  
December 31, 2020  
(Continued)

(9) Risk Management

The District purchases commercial insurance to provide workers compensation and general liability and property insurance. There were no significant reductions in insurance coverages from the prior year.

(10) On-Behalf Payments

During the fiscal year ended December 31, 2020, qualified employees of the Bienville Parish Ward 4 & 5 Fire Protection District received supplemental pay from the State of Louisiana. The District has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled \$53,567 for the year ended December 31, 2020.

(11) Subsequent Events

In February 2021, the District approved the purchase of two LifePak 15's in the amount of \$45,242.

Subsequent events have been evaluated through June 25, 2021, the date the financial statements were available to be issued.

(12) Uncertainty

As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact financial resources. While the duration on the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Schedule of Revenues, Expenditures, and Changes in Fund Balances  
Budget (Cash Basis) and Actual  
General Fund  
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Ad valorem taxes	\$ 957,386	\$ 924,708	\$ 925,893	\$ 1,185
Intergovernmental				
Fire insurance rebate	16,000	15,737	15,737	
Grant	4,000	2,385	2,385	
Calcasieu Parish			17,654	17,654
Interest income	4,700	5,279	19,476	14,197
Miscellaneous	25,000	45,032	11,227	(33,805)
<b>Total revenues</b>	<b>1,007,086</b>	<b>993,141</b>	<b>992,372</b>	<b>(769)</b>
<b>Expenditures</b>				
Current:				
Public Safety	887,086	906,108	903,666	2,442
Capital outlay		374,023	374,610	(587)
Debt service				
Principal retirement	120,000	120,000	109,829	10,171
Interest and other charges			9,584	(9,584)
<b>Total expenditures</b>	<b>1,007,086</b>	<b>1,400,131</b>	<b>1,397,689</b>	<b>2,442</b>
Excess of revenues over expenditures		(406,990)	(405,317)	1,673
Fund balances at beginning of year	1,169,909	1,491,289	1,490,429	(860)
Fund balances at end of year	<u>\$ 1,169,909</u>	<u>\$ 1,084,299</u>	<u>\$ 1,085,112</u>	<u>\$ 813</u>

See accompanying note to required supplementary information.

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Notes to Required Supplementary Information  
December 31, 2020

The District's budget is adopted on a cash basis for all funds. There were two amendments to the 2020 budget. Budget comparison statements included in the accompanying financial statements include the original and amended budgets. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	<u>General Fund</u>
Excess of revenues and other sources over expenditures and other uses (budget basis)	\$ (405,317)
Adjustments:	
Revenue accruals – net	82,779
Expenditure accruals – net	<u>(91,376)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ (413,914)</u>

Bienville Parish Ward 4 & 5 Fire Protection District  
 Ringgold, Louisiana  
 Schedule of Contributions  
 For the Year Ended December 31, 2020

State of Louisiana Firefighters' Retirement System

Year Ended December 31	Statutorily Required Contribution	Contributions in relation to the statutorily required contribution	Contribution Deficiency (Excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2020	\$ 130,520	\$ 130,520	\$	\$ 435,062	30.00%
2019	116,221	116,221		428,435	27.13%
2018	95,193	95,193		359,220	26.50%
2017	90,430	90,430		349,417	25.88%
2016	90,632	90,632		344,722	26.25%

\*Amounts presented were determined as of the end of the fiscal year (December 31).

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

Bienville Parish Ward 4 & 5 Fire Protection District  
 Ringgold, Louisiana  
 Schedule of Proportionate Share of Net Pension Liability  
 For the Year Ended December 31, 2020

State of Louisiana Firefighters' Retirement System

Year Ended June 30	Proportion of the net pension liability	Proportionate share of the net pension liability	Covered-employee payroll	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
2020	0.1736600%	\$ 1,203,733	\$ 432,346	278.42%	72.61%
2019	0.1718520%	1,076,122	394,313	272.91%	73.96%
2018	0.1489800%	856,945	354,700	241.60%	74.76%
2017	0.1479720%	848,153	347,861	243.82%	73.55%
2016	0.1482800%	969,892	334,340	290.09%	68.16%

\*Amounts presented were determined as of the measurement date (fiscal year ended June 30).

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

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended December 31, 2020

Agency Head: Bobby Conly, Fire Chief

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 79,494
State supplemental pay	6,000
Benefits-insurance	5,488
Benefits-retirement	25,647
Reimbursements	74

Bienville Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Schedule of Compensation Paid to Board Members  
For the Year Ended December 31, 2020

Aldermen:

Donna Wiggins - chair	\$ 2,750
Randall Bare	550
Briley Joe Carter	400
Donald Moore	600
James Wiggins	<u>400</u>
	<u>\$ 4,700</u>

# COOK & MOREHART

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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

Independent Auditors' Report

Board of Commissioners  
Bienville Parish Ward 4 & 5 Fire Protection District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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 Bienville Parish Ward 4 & 5 Fire Protection District as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Bienville Parish Ward 4 & 5 Fire Protection District's basic financial statements, and have issued our report thereon dated June 25, 2021.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bienville Parish Ward 4 & 5 Fire Protection 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bienville Parish Ward 4 & 5 Fire Protection District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bienville Parish Ward 4 & 5 Fire Protection 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 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. 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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bienville Parish Ward 4 & 5 Fire Protection District's financial statements are free from 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 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.



Cook & Morehart  
Certified Public Accountants  
June 25, 2021

Bienville Parish Ward 4 & 5 Fire Protection District  
Ringgold, Louisiana  
Summary Schedule of Audit Findings  
December 31, 2020

**Summary Schedule of Prior Year Audit Findings**

There were no findings for the prior year audit for the year ended December 31, 2019.

**Summary Schedule of Current Year Audit Findings**

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