

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE**

LIVONIA & FORDOCHE, LOUISIANA

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2016

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OF THE PARISH OF POINTE COUPEE, LOUISIANA
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Fire Protection District No. 4
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INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana, (the "District"), as of and for the year ended December 31, 2016, 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 an opinion 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 opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Fire Protection District No. 4 of the Parish Pointe Coupee, Louisiana as of December 31, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 3 through 8 and 27 through 28 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 an opinion on the financial statements that collectively comprise the District's basic financial statements. The Taxable Property Valuations and Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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 20, 2017 on our consideration of Fire Protection District No. 4 of the Parish of Pointe Coupee's internal control over financial reporting and on our tests of its compliance with certain provisions, 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.

Baxley & Associates, LLC

Plaquemine, Louisiana
June 20, 2017

MANAGEMENT'S DISUSSION AND ANALYSIS

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2016**

As management of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana, we are pleased to provide an overview of our financial activities for the year ended December 31, 2016. The intended purpose of the Management's Discussion and Analysis (MD&A) is to provide an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions. The MD&A provides an easily readable summary of operating results and reasons for changes that 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, significant economic factors, and the status of infrastructure and its effects on our debt and operation. When referring to prior year data in this analysis, we will be drawing upon information from last year's audited financial report.

FINANCIAL HIGHLIGHTS

- The District's net position increased by \$68,628 from \$2,929,978 in 2015 to \$2,998,606 in 2016.
- Ad valorem taxes increased from \$691,385 in 2015 to \$859,356 in 2016.
- Revenues from the quarter cent sales tax decreased from \$170,133 in 2015 to \$159,310 in 2016.
- Cash and cash equivalents increased by \$4,052 for the year ended December 31, 2016.

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 10 and 11, 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 presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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 12 through 14, 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.

Notes to the Financial Statements

The notes, presented on pages 15 through 26, 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.

**FIRE PROTECTION DISTRICT NO. 4
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MANAGEMENT'S DISCUSSION AND ANALYSIS**

In addition to the basic financial statements and accompanying notes, the report also presents certain required supplementary information concerning the District's budgetary control, on page 28. A tabulation of taxable property is presented on page 30 as supplementary information to assist the reader in understanding the economic growth of the District and the effect it has on operations and fire protection ratings.

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 \$2,998,606.

The District's net position is mainly composed of \$1,867,456 net invested 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 from the parish line at west Baton Rouge to the middle of the Atchafalaya River at the St. Landry Parish Line from the Iberville Parish line near north Maringouin along Highway 77 to Highway 10 and along Highway 78 to the BP Amoco Plant. Protection is also provided inside the corporate limits of the Town of Livonia and the Village of Fordoche. 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 position, \$1,131,150, may be used to meet the District's future operations.

SUMMARY OF NET POSITION

	2016	2015
Current and other assets	\$ 1,198,170	\$ 1,093,432
Capital assets	1,989,463	2,203,490
Total assets	3,187,633	3,296,922
Current and other liabilities	67,020	60,213
Noncurrent liabilities	122,007	306,731
Total liabilities	189,027	366,944
Net position -		
Net invested in capital assets	1,867,456	1,896,759
Unrestricted	1,131,150	1,033,219
Total net position	2,998,606	2,929,978

The District's total revenues increased by \$173,331 from \$904,414 in 2015 to \$1,077,745 in 2016.

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MANAGEMENT'S DISCUSSION AND ANALYSIS**

Total expenses increased by \$64,980 from \$944,137 in 2015 to \$1,009,117 in 2016. This is due to an increase in salaries in 2016, purchases of fixed assets in 2016, and increased fire prevention training in 2016. From the proceeds of the revenues, the District spent \$300,843 on salaries for part time-time firemen to man the fire stations for the protection of the District.

Changes in Net Position		
	Governmental Activities	
	2016	2015
Revenues:		
Taxes	\$ 1,018,666	\$ 861,518
Intergovernmental revenues	23,424	26,035
Interest income and other revenue	35,655	16,861
Total Revenues	1,077,745	904,414
Expenses:		
Operating	759,429	697,079
Depreciation	249,688	247,058
Total Expenses	1,009,117	944,137
Change in Net Position	68,628	(39,723)
Beginning Net Position	2,929,978	2,969,701
Ending Net Position	\$ 2,998,606	\$ 2,929,978

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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

The fund balance of the District increased by \$97,932 during the current year.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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 page 28. 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 \$1,064,858 exceeded budgeted revenues of \$947,967 by \$116,891, while actual expenditures of \$986,926 exceeded budgeted expenditures of \$929,513 by \$57,413.

CAPITAL ASSETS

At December 31, 2016 and 2015, the District had \$1,989,463 and \$2,203,490, respectively, invested in a broad range of capital assets, including land, buildings, vehicles, and equipment. Further detail on capital assets is presented in Note C on page 22.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District serves a population estimated at over 4,500 and two incorporated areas – Fordoche and Livonia. With the passage of a .25% sales tax in 2007, the District has attained a PIAL-in Rating of 3 and a PIAL-Out Rating of 4. The attainment of these low ratings brings increased operating costs and new requirements mandated by the State Fire Marshall. These items made it necessary for management to consider these factors in making future budget projections. Consequently, management has projected budget operations to December 31, 2016. Long range projections assist management in evaluating net acquisitions or replacements to keep the fire insurance rating at a level that will return fire protection and an economic benefit to its taxpayers.

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 Bridget Bergeron, Secretary of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana at (225) 413-3077.

BASIC FINANCIAL STATEMENTS

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2016**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 350,012
Inventory	1,900
Receivables:	
Ad valorem taxes	798,105
Sales taxes	13,877
State revenue sharing	4,662
Other	300
Prepaid expense	438
Prepaid insurance	28,876
Capital assets (net of accumulated depreciation):	
Land	131,000
Buildings	418,839
Firefighting equipment and tools	210,912
Fire hydrants and water supply lines	44,769
Radios and paging equipment	172,087
Vehicles	677,232
Medical equipment	313,297
Health and wellness equipment	987
Furniture, fixtures, and equipment	20,340
TOTAL ASSETS	\$ 3,187,633
LIABILITIES	
Accounts payable	\$ 16,222
Accrued wages payable	10,823
Payroll taxes payable	3,853
Deferred compensation payable	1,995
Deduction from ad valorem taxes	34,127
Noncurrent liabilities:	
Due within one year	122,007
TOTAL LIABILITIES	189,027
NET POSITION	
Net invested in capital assets	1,867,456
Unrestricted	1,131,150
TOTAL NET POSITION	\$ 2,998,606

The accompanying notes are an integral part of this statement.

FIRE PROTECTION DISTRICT NO. 4 OF THE
 PARISH OF POINTE COUPEE, LOUISIANA
 STATEMENT OF ACTIVITIES
 DECEMBER 31, 2016

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities:				
Public safety	\$ 1,009,117	-	-	\$ (1,009,117)
Total Governmental Activities	<u>\$ 1,009,117</u>	<u>-</u>	<u>-</u>	<u>(1,009,117)</u>

General Revenues:

 Taxes:

Ad valorem taxes	859,356
Sales taxes	159,310
General intergovernmental revenues	23,424
Gain on sale of assets	12,887
Interest earnings	1,159
Other	21,609

 Total General Revenues 1,077,745

 Change in Net Position 68,628

 Net Position at the Beginning of Year 2,929,978

 Net Position at End of Year \$ 2,998,606

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUND - GENERAL FUND
DECEMBER 31, 2016**

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 350,012
Inventory	1,900
Receivables:	
Ad valorem taxes	798,105
Sales taxes	13,877
State revenue sharing	4,662
Other	300
Prepaid expenses	438
Prepaid insurance	<u>28,876</u>
TOTAL ASSETS	<u>\$ 1,198,170</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 16,222
Accrued wages payable	10,823
Payroll taxes payable	3,853
Deferred compensation payable	1,995
Deduction from ad valorem taxes	<u>34,127</u>
Total Liabilities	<u>67,020</u>
Fund Balance:	
Nonspendable: prepaid	29,314
Unassigned	<u>1,101,836</u>
Total Fund Balances - Governmental Fund	<u>1,131,150</u>
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	1,989,463
Long-term liabilities of governmental funds, including capital leases and notes payable are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(122,007)</u>
Net position of governmental activities	<u><u>\$ 2,998,606</u></u>

The accompanying notes are an intergral part of this statement.

EXHIBIT D

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

REVENUES		
Taxes -		
Ad valorem taxes	\$ 859,356	
Sales taxes	159,310	
Intergovernmental revenues -		
State fire insurance rebate	16,713	
State revenue sharing	6,711	
Miscellaneous revenues -		
Interest income	1,159	
Other	21,609	
	<u>21,609</u>	
TOTAL REVENUES		<u>1,064,858</u>
EXPENDITURES		
Current operations -		
Salaries	300,843	
Payroll taxes	4,546	
Deferred compensation	17,746	
Professional fees	19,758	
Tax collector fees	34,127	
Computer services	14,671	
Dispatch	38,553	
Vehicle maintenance	24,991	
Equipment maintenance	33,219	
Building maintenance	18,270	
Uniforms and protective gear	27,039	
Supplies and small tools	13,627	
Utilities	15,498	
Telephone	4,386	
Insurance	84,567	
Training and fire prevention	83,512	
Supplies, postage and printing	6,389	
Dues and subscriptions	1,548	
Fire prevention materials	3,484	
Miscellaneous	1,481	
Capital outlays -		
Firefighting equipment and tools	5,930	
Medical equipment	32,815	
Furniture, fixtures, and equipment	4,029	
Debt service -		
Principal retirement	184,723	
Interest expense	11,174	
	<u>11,174</u>	
TOTAL EXPENDITURES		<u>986,926</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		77,932
OTHER FINANCING SOURCES (USES)		
Sale of fixed asset	20,000	
	<u>20,000</u>	
TOTAL OTHER FINANCING SOURCES (USES)		<u>20,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)		97,932
FUND BALANCE AT BEGINNING OF YEAR		<u>1,033,218</u>
FUND BALANCE AT END OF YEAR		<u>\$ 1,131,150</u>

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016**

Amounts reported for governmental activities are different because:

Net change in fund balances - total governmental funds (page 13)	\$ 97,932
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$249,688) exceeded capital outlays (\$42,774) in the current period.	(206,914)
Net book value of capital assets disposed.	(7,113)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental activities. Neither transaction, however, has any effect on net position.	
Debt payments \$184,723	184,723
Change in net position of governmental activities (page 11)	\$ 68,628

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fire Protection District No. 4 of the Parish of Pointe Coupee (the "District") was created by a resolution of the Pointe Coupee Parish Police Jury in 1981. The District operates under a commission form of government and provides fire protection services to all the territory situated within the limits of Pointe Coupee Election Districts 10 and 11. The Election Districts were constituted in 1981, and it was created in accordance with the authority of LRS 40:1494, and Article VI, Section 19 of the Constitution of the State of Louisiana for the year 1974 and other constitutional and statutory authority supplemental thereto and Local Services Agreements entered into by this Police Jury, the Mayor and Board of Aldermen of the Town of Livonia, and the Mayor and Board of Aldermen of the Town of Fardoche, Louisiana.

Reporting Entity

As stated previously, the District was created by a resolution of the Pointe Coupee Parish Police Jury in 1981 and is a political subdivision of the Pointe Coupee Parish Police Jury. In accordance with LRS 40:1494, the District is managed by a board of five commissioners. Two commissioners are appointed by the Pointe Coupee Parish Police Jury, one appointed by the Town of Livonia, and one appointed by the Town of Fardoche. These four commissioners then appoint the fifth to act as chairperson.

Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus, an Amendment of GASB Statements No. 14 and No. 34*, established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a component unit of the Pointe Coupee Parish Police Jury. As a component unit, the accompanying financial statements are to be included within the reporting of the primary government, either blended within those financial statements or separately reported as a discrete component unit. Under provisions of this statement, there are no component units of the District.

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The previous reporting model emphasized fund types (the total of all funds of a particular type), and in the reporting model as defined by GASB Statement No. 34, the focus is either the District as a whole or major individual funds (within the fund financial statements).

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Public Safety, etc.) or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or activity. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, (2) grants and contributions that are restricted to meeting the operational requirements of a particular function or activity, and (3) grants and contributions that are restricted to meeting the capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property, sales, franchise taxes, intergovernmental revenues, interest income, etc.).

Separate fund based financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the general fund and capital projects fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The nonmajor funds are detailed in the combining section of the statements.

Measurement Focus and Basis of Accounting

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

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. 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 revenues to be available if they are collected within 60 days of the end of the current fiscal period. The grant revenue availability period is generally considered to be one year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

Ad valorem tax revenues in the General Fund are recognized under the susceptible to accrual concept. Miscellaneous revenues are recorded as revenues when received in cash as the resulting receivable is not considered material. Investment earnings are recorded as earned since they are measurable and available. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the District; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if susceptible to accrual criteria are met.

The following major fund is used by the District in its governmental funds:

- General Fund accounts for the District's primary public safety service and is the primary operating unit of the District.

GASB No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained, and incorporates the information into the Governmental Activities column in the government-wide Statement of Net Position.

Assets, Liabilities, Net Position, and Fund Balances

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include demand deposits and money market accounts. Under state law, the District may deposit funds in demand deposits, money market accounts, or time deposits with a bank organized under Louisiana law, or of any other state of the United States, or under the laws of the United States.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State statutes authorize the District to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost. Cash deposits are reported at carrying amount which reasonably estimates fair value.

Receivables

Receivables consist of all revenues earned at year-end and not yet received.

Inventories

Purchases of operating supplies by governmental fund types are recorded as expenditures when purchased; inventories of such supplies are not recorded and are not considered by management to be material. Inventory is stated at the lower of cost or market.

Capital Assets and Depreciation

The District's property and equipment with useful lives of more than one year are capitalized at historical cost or estimated historical cost. The District's policy has set the capitalization threshold for reporting capital assets at \$500. 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	40 years
Vehicles	15 years
Firefighting equipment and tools	10 years
Radios and paging equipment	10 years
Fire hydrants and water supply lines	25 years
Furniture, fixtures, and office equipment	5 & 12 years
Health and wellness equipment	10 years

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2016, there were no amounts considered to be uncollectible.

Long-term Liabilities

In the government-wide financial statements, long-term debt is reported as a liability in the applicable governmental activities statement of net position.

In the government funds financial statements, the face amount of debt is reported as other financing sources. Interest and principal payments are reported as debt service expenditures.

Net Position

In the Statement of Net Position, the difference between the District's assets and liabilities is recorded as net position. The three components of net position are as follows:

- Net invested in capital assets – This category consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances on any bond, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – This category consists of net position with constraints place on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted net position – This category represents all net position that does not meet the definition of "restricted" or "net invested in capital assets."

Fund Balance

In the fund financial statements, fund balance of the governmental funds are classified as follows:

- Nonspendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Restricted – Amounts that can only be spent for specific purposes because of constitutional provisions or enabling legislation or because constraints are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments,
- Committed – Amounts that can be used only for specific purposes determined by a formal action of the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the District.
- Assigned – Amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes.
- Unassigned – All other spendable amounts.

As of December 31, 2016, all fund balances were designated as nonspendable and unassigned.

Deferred Outflows/Inflows of Resources

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

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

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, 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.

Sales Tax

Fire Protection District No. 4 of the Parish of Pointe Coupee accounts for the collection of the 2% Policy Jury Sales Tax from the Pointe Coupee Parish Tax Collector. The District receives 5% of the 2% Police Jury Sales Tax. For the year ended December 31, 2016, the amount of sales tax received by the District was \$159,310.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Information

Policy and Practice

The Chairman submits an annual budget for the General Fund by Fire Station to the Board in accordance with the Louisiana Local Government Budget Act. The budget is presented to the Board for review, and public hearings are held to address the proposed appropriations. Once approved, and adopted by the Board, the Board may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Basis of Budgeting

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. Budget revisions at this level are subject to final review by the Board. The legal level of control is by function within the General Fund. Expenditures may not exceed appropriations at this level. Revisions to the budget were made throughout the year.

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 the fiscal year-end.

NOTE B – CASH AND CASH EQUIVALENTS

At December 31, 2016, the status of deposited funds and collateralized balances are as follows:

	<u>Bank Balances 12/31/16</u>	<u>FDIC Insurance</u>	<u>Balances Uninsured</u>
Cash	\$ 352,151	\$ 352,151	\$ -
Uncollateralized--			
Securities pledged and held by custodial banks in the name of fiscal agent banks, at fair market value, at December 31, 2016			<u>-</u>
Excess of FDIC insurance and pledged securities over cash at December 31, 2016			<u>\$ -</u>

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Cash and cash equivalents are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or pledge of securities owned by the fiscal agent bank.

Investments

The District did not maintain investments at December 31, 2016. All investments that were previously held by the District matured and the funds were deposited into the District's savings account.

NOTE C – CAPITAL ASSETS

A summary of changes in general fixed assets is as follows:

	Balance 1/1/2016	Additions	Deletions	Balance 12/31/2016
Land	\$ 131,000	\$ -	\$ -	\$ 131,000
Buildings	675,921	-	-	675,921
Vehicles	2,249,633	-	(20,000)	2,229,633
Firefighting equipment and tools	827,460	5,930	-	833,390
Radios and paging equipment	816,986	-	-	816,986
Medical equipment	462,267	32,815	-	495,082
Furniture, fixtures, and equipment	78,287	4,029	-	82,316
Fire hydrant and water supply lines	126,486	-	-	126,486
Health and wellness equipment	2,279	-	-	2,279
Total Capital Assets	\$ 5,370,319	\$ 42,774	\$ (20,000)	\$ 5,393,093

	Accumulated Depreciation Balance			Accumulated Depreciation Balance		Capital Assets Net of Accumulated Depreciation
	1/1/2016	Additions	Deletions	12/31/2016		
Land	\$ -	\$ -	\$ -	\$ -	\$ 131,000	
Buildings	240,371	16,711	-	257,082	418,839	
Vehicles	1,471,420	93,868	(12,887)	1,552,401	677,232	
Firefighting equipment and tools	579,533	42,945	-	622,478	210,912	
Radios and paging equipment	600,795	44,104	-	644,899	172,087	
Medical equipment	137,267	44,518	-	181,785	313,297	
Furniture, fixtures, and equipment	58,626	3,350	-	61,976	20,340	
Fire hydrant & water supply lines	77,753	3,964	-	81,717	44,769	
Health and wellness equipment	1,064	228	-	1,292	987	
Total Accumulated Depreciation	\$ 3,166,829	\$ 249,688	\$ (12,887)	\$ 3,403,630	\$ 1,989,463	

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE C – CAPITAL ASSETS (CONTINUED)

Depreciation for the year ended December 31, 2016 was \$249,688.

NOTE D – LONG-TERM DEBT

The summary of changes in governmental activities long-term liabilities reported in the government-wide financial statements for the year ended December 31, 2016 is as follows:

	Beginning Balance	Additions/ Proceeds	Reductions/ Payments	Ending Balance	Due Within One Year
Capital lease obligations:					
Government Capital Corp 2011	306,730	-	(184,723)	122,007	122,007
Total Governmental Activities	<u>\$ 306,730</u>	<u>\$ -</u>	<u>\$ (184,723)</u>	<u>\$ 122,007</u>	<u>\$ 122,007</u>

The debt outstanding at December 31, 2016 is as follows:

Government Capital Corporation

On November 15, 2011, the District entered into a capital lease agreement for the purchase of two new fire trucks and for the refinancing of the existing lease agreement in the amount of \$583,700 which matures on January 15, 2019. Annual installments of \$95,897 will be paid which includes an interest rate of 3.475%. Additional principal payments were made in 2015 and 2016 with the remaining balance of the note being paid in full in 2017.

	<u>122,007</u>
Total Debt Outstanding at December 31, 2016	<u><u>\$ 122,007</u></u>

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE D – LONG-TERM DEBT (CONTINUED)

The annual debt service including interest of \$4,592 is as follows:

Year	Government Capital Corporation
2017	126,599
	\$ 126,599

NOTE E – AD VALOREM TAXES

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property were to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 10% of “use” value; and all other property to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax District. The assessor is required to re-appraise all property every four years.

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 4.23%.

The millage rates are adopted in late October. The taxes are levied and notices are mailed out in mid-November of the year. All taxes are due by December 31st of the year and are delinquent on January 1st 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 31st, 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 quantity of property necessary to settle the taxes and interest owed.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE E – AD VALOREM TAXES (CONTINUED)

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

For the year ended December 31, 2016, taxes of \$812,401 were levied on property with assessed valuations totaling \$74,463,845 at the rate of 10.91 mills for the following purposes: (1) maintaining and operating the District's fire protection facilities, (2) purchasing fire trucks and other firefighting equipment, (3) paying the cost of obtaining water for fire protection purposes, including charges for fire hydrant rentals and service, and (4) paying the cost of acquiring, improving, or constructing fire protection facilities of the Fire Protection District, constituting works of public improvement, title to which shall be in the public.

NOTE F – DEFERRED COMPENSATION PLAN

In January 2014, the District implemented a deferred compensation plan under Section 457 of the Internal Revenue Code for its employees. All employees of the District are required to participate in the deferred compensation plan. Employees are required to contribute a minimum of 6.0% of their gross compensation into the deferred compensation plan and may contribute a higher percentage of their gross compensation, if requested. The District matches the 6.0% employee contribution and does not match any additional employee contributions to the deferred compensation plan. Upon termination of employment, retirement, death, or the occurrence of an unforeseeable emergency, the employee (or their beneficiaries) may withdraw the contributions plus interest at a reasonable rate. Contributions made by the employee and the employer are managed by an independent third party administrator selected by the District. The District's contributions to the deferred compensation plan for the years ended December 31, 2016, 2015, and 2014 were \$17,746, \$13,388, and \$9,735, respectively.

NOTE G – 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 2016 from coverage in the prior year. Settled claims have not exceeded this commercial coverage in the past 3 fiscal years.

NOTE H – LITIGATION AND CLAIMS

There were no judgments, claims, or other similar contingencies pending against the District at December 31, 2016.

**FIRE PROTECTION DISTRICT NO. 4 OF THE
PARISH OF POINTE COUPEE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

NOTE I – COMPENSATION PAID TO BOARD MEMBERS

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

Donald Chenevert	\$	-
Fred Gueho		-
Drake LaCombe		-
Charles Landry		-
Ronnie Barlow		-
	\$	-

NOTE J – RELATED PARTIES

The Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana is a component unit of the Pointe Coupee Parish Police Jury, and may enter into transactions with related parties, including parish council members and the parish administrator. From knowledge obtained during the audit, no related party transactions have occurred between parish council members or the parish administrator of Pointe Coupee Parish.

NOTE K – SUBSEQUENT EVENTS

These financial statements considered subsequent events through June 20, 2017, the date the financial statements were available to be issued.

On February 14, 2017, the District made the final principal payment of \$30,619 on the capital lease agreement with Government Capital Corporation for the purchase of two fire trucks and the refinancing of the existing agreement. The original terms of the lease agreement showed a maturity date of January 15, 2019, but the District made additional principal payments in 2015 and 2016 to pay the principal balance off by an earlier date.

On March 13, 2017, the District entered into a capital lease agreement with Republic First National Corporation for the purchase of a new fire truck with a total acquisition cost of \$337,735 with a maturity date of February 1, 2022. The District made an initial principal payment of \$100,000 with the remaining installments of \$51,535 being paid annually at an interest rate of 2.75%.

REQUIRED SUPPLEMENTARY INFORMATION

**FIRE PROTECTION DISTRICT NO.4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Taxes -				
Ad valorem	\$ 600,000	\$ 722,865	\$ 859,356	\$ 136,491
Sales taxes	175,000	156,605	159,310	2,705
Intergovernmental revenues -				
Forestry grant	5,000	-	-	-
State fire insurance rebate	18,000	16,713	16,713	-
State revenue sharing	6,000	9,099	6,711	(2,388)
Miscellaneous revenues -				
Interest income	200	1,076	1,159	83
Other	46,000	41,609	21,609	(20,000)
TOTAL REVENUES	<u>850,200</u>	<u>947,967</u>	<u>1,064,858</u>	<u>116,891</u>
EXPENDITURES				
Current operations -				
Salaries	340,000	308,874	300,843	8,031
Payroll taxes	10,000	10,000	4,546	5,454
Deferred compensation	-	-	17,746	(17,746)
Professional fees	20,900	19,758	19,758	-
Tax collector fees	-	-	34,127	(34,127)
Dispatch	32,000	38,553	38,553	-
Computer services	11,300	14,186	14,671	(485)
Vehicle maintenance	31,300	33,927	24,991	8,936
Equipment maintenance	15,000	24,666	33,219	(8,553)
Building maintenance	22,500	15,781	18,270	(2,489)
Uniforms and protective gear	23,000	27,039	27,039	-
Supplies and small tools	16,500	13,734	13,627	107
Utilities	15,000	15,474	15,498	(24)
Telephone	6,000	4,386	4,386	-
Insurance	98,500	83,060	84,567	(1,507)
Training and fire prevention	66,500	82,263	83,512	(1,249)
Supplies, postage and printing	1,500	1,076	6,389	(5,313)
Dues and subscriptions	2,000	2,797	1,548	1,249
Fire prevention materials	-	-	3,484	(3,484)
Miscellaneous	1,700	1,276	1,481	(205)
Capital outlays -				
Firefighting equipment and tools	10,000	10,450	5,930	4,520
Fire hydrants	3,000	-	-	-
Radios and paging equipment	5,000	-	-	-
Medical equipment	18,000	26,316	32,815	(8,499)
Furniture, fixtures, and equipment	2,500	-	4,029	(4,029)
Wellness and fitness equipment	2,000	-	-	-
Debt service -				
Principal retirement	82,800	184,902	184,723	179
Interest expense	13,200	10,995	11,174	(179)
TOTAL EXPENDITURES	<u>850,200</u>	<u>929,513</u>	<u>986,926</u>	<u>(57,413)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	18,454	77,932	59,478
OTHER FINANCING SOURCES (USES)				
Sale of fixed asset	-	-	20,000	20,000
TOTAL OTHER FINANCING SOURCES (USES)	-	-	20,000	20,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	-	18,454	97,932	79,478
FUND BALANCE, BEGINNING OF YEAR	1,033,218	1,033,218	1,033,218	-
FUND BALANCE, END OF YEAR	<u>\$ 1,033,218</u>	<u>\$ 1,051,672</u>	<u>\$ 1,131,150</u>	<u>\$ 79,478</u>

SUPPLEMENTARY INFORMATION

**FIRE PROTECTION DISTRICT NO.4
OF THE PARISH OF POINTE COUPEE
LIVONIA & FORDOCHE, LOUISIANA
TAXABLE PROPERTY VALUATIONS
SINCE INCEPTION
(UNAUDITED)**

Year	Mills Levied	Assessed Value	Homestead Exemption	Tax to be Paid by Owner	Tax to be Paid by State	Total Tax
1982	3.00	\$ 22,435,266	\$ 3,845,101	\$ 55,772	\$ 11,537	\$ 67,309
1983	3.00	24,265,476	3,965,946	60,900	11,900	72,800
1984	3.00	23,989,111	4,072,574	59,251	12,220	71,971
1985	3.00	26,956,547	4,181,788	68,326	12,547	80,873
1986	3.34	24,942,091	4,374,197	68,696	14,609	83,305
1987	3.34	25,357,580	4,397,197	70,007	14,686	84,693
1988	3.60	24,155,783	4,203,073	71,830	15,131	86,961
1989	3.60	24,489,906	4,307,573	72,656	15,507	88,164
1990	3.60	23,671,216	4,393,027	69,402	15,815	85,216
1991	3.60	24,546,980	4,468,982	72,281	16,088	88,369
1992	10.72	24,416,469	4,618,835	212,230	49,514	261,744
1993	10.31	24,753,536	4,753,918	206,197	49,015	255,212
1994	10.31	24,879,333	4,876,381	206,231	50,278	256,509
1995	10.31	26,360,828	5,026,631	219,957	51,827	271,783
1996	10.10	27,597,811	5,647,378	221,701	57,041	278,743
1997	10.10	28,848,919	5,882,582	231,962	59,417	291,379
1998	10.91	27,430,758	6,162,933	232,033	67,239	299,273
1999	10.91	29,060,127	6,379,115	247,451	69,598	317,050
2000	10.91	29,529,102	7,089,964	244,813	77,354	322,166
2001	10.91	30,439,289	7,328,324	252,142	79,954	332,096
2002	10.91	23,034,553	7,537,944	51,309	82,241	333,550
2003	10.91	23,800,929	7,731,604	259,670	84,354	344,024
2004	10.91	27,177,135	8,400,680	296,504	91,653	388,157
2005	10.91	29,342,595	8,606,150	320,130	93,895	414,024
2006	10.91	29,810,018	8,795,410	325,229	95,960	421,189
2007	10.91	31,506,615	8,947,680	343,739	97,621	441,360
2008	9.11	38,094,363	9,440,371	347,040	86,002	433,042
2009	9.11	40,643,479	9,679,321	370,263	88,179	458,442
2010	10.91	49,364,938	9,872,301	538,572	107,705	646,277
2011	10.91	48,869,249	9,976,861	533,163	108,846	642,009
2012	10.91	56,561,984	10,055,056	617,092	109,699	726,791
2013	10.91	61,539,464	10,078,246	671,396	109,953	781,349
2014	10.91	62,342,434	10,174,916	680,157	111,008	791,165
2015	10.91	67,993,739	10,188,451	741,813	111,155	852,968
2016	10.91	74,463,845	10,783,415	812,401	117,646	930,047

SCHEDULE 2

FIRE PROTECTION DISTRICT NO. 4
 OF THE PARISH OF POINTE COUPEE
 SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
 TO AGENCY HEAD
 FOR THE YEAR ENDED DECEMBER 31, 2016

Agency Head: Paul A. Pinsonat

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 17,004
Benefits - insurance	-
Benefits - retirement	1,020
Car allowance	-
Travel	659
Registration fees	1,115
Conference Travel	1,606
Total	<u>\$ 21,404</u>

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

BAXLEY AND ASSOCIATES, LLC

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58225 Belleview Drive
Plaquemine, Louisiana 70764
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Hugh F. Baxley, CPA/CGMA/CVA
Margaret A. Pritchard, CPA/CGMA

Staci H. Joffrion, CPA/CGMA

SCHEDULE 3

Board of Commissioners
Fire Protection District No. 4 of the
Parish of Pointe Coupee
Livonia & Fordoche, Louisiana

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

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 of the United States, the financial statements of the governmental activities of Fire Protection District No.4 of the Parish of Pointe Coupee, Louisiana (the "District"), as of and for the year ended December 31, 2016, 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 20, 2017.

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 opinion 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.

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

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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency (2016-1).

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 statement 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 an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and responses as item 2016-2.

District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying Management's Corrective Action Plan. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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.

Baxley & Associates, LLC

Plaquemine, Louisiana
June 20, 2017

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana.
2. One significant deficiency relating to the audit of the financial statements is reported in the Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. One instance of noncompliance material to the financial statements of the Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana was found.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

2016-1 LACK OF CONTROLS OVER FINANCIAL REPORTING IN ACCORDANCE WITH GAAP

Condition:

The District does not have employees with sufficient expertise and training to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is a repeat finding.

Criteria:

Year-end adjusting journal entries were not made to the financial statements to ensure that the statements were prepared in accordance with generally accepted accounting principles.

Effect:

As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the annual financial statements. This condition is intentional by management based upon the financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls. AU-C 265 requires that we report the above condition as a control deficiency. This section does not provide exceptions to reporting deficiencies that are adequately mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016

Recommendation:

As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying AU-C 265's reporting requirements. Prudent management requires that the potential benefit from an internal control must exceed its cost. It, therefore, may not be practical to correct all the deficiencies an auditor reports under AU-C 265. In this case we do not believe the significant deficiency described above would be cost effective or practical, and accordingly, do not believe any corrective action is necessary.

2016-2 BUDGET

Condition:

In the District's General Fund, actual expenditures exceeded budgeted expenditures by 5.8%.

Criteria:

The actual expenditures of any fund should not exceed the estimated budgeted expenditures by more than 5 percent nor should the budgeted revenue exceed the actual revenues by more than 5 percent.

Effect:

Failure to amend budgets to recognize anticipated shortfalls or surpluses in funds prevents the governmental body from effectively curtailing or expanding projects and/or services in accordance with actual available resources.

Recommendation:

Continuous efforts should be made by management to monitor revenue and expenditures in relation to the budget. Amendments should be made as they become necessary.

FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2016

**2015-1 LACK OF CONTROLS OVER FINANCIAL REPORTING IN ACCORDANCE
WITH GAAP**

Condition:

The District does not have employees with sufficient expertise and training to prepare financial statements in accordance with generally accepted accounting principles (GAAP). This is a repeat finding.

Recommendation:

Prudent management requires that the potential benefit from an internal control must exceed its cost. It, therefore, may not be practical to correct all the deficiencies an auditor reports under AU-C 265. In this case, we do not believe the significant deficiency described above would be cost effective or practical, and accordingly, do not believe any corrective action is necessary.

Current Status:

This is a repeat finding in the current audit year.

**FIRE PROTECTION DISTRICT NO. 4
OF THE PARISH OF POINTE COUPEE, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2016**

Louisiana Legislative Auditor

The Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana respectfully submits the following corrective action plan for the year ended December 31, 2016.

2016-1 LACK OF CONTROLS OVER FINANCIAL REPORTING IN ACCORDANCE WITH GAAP

Action Taken

Due to the small size of the organization, the District does not consider it economically feasible to hire an additional accountant to prepare year-end financial statements.

Name of Contact – Bridget Bergeron, District Secretary

Anticipated Completion Date – NA

2016-2 BUDGET

Action Taken

Continuous efforts will be made by management to monitor revenues and expenditures in relation to the budget.

Name of Contact – Bridget Bergeron, District Secretary

Anticipated Completion Date – June 20, 2017