

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

ANNUAL FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITORS' REPORT

Year Ended December 31, 2013

*Royce T. Scimemi, CPA, APAC*  
*Oberlin, LA*

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# ROYCE T. SCIMEMI, CPA, APAC



## CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 210  
Oberlin, LA 70655  
Tele (337) 639-4334, Fax (337) 639-4068

Member  
American Institute of  
Certified Public Accountants

Member  
Society of Louisiana  
Certified Public Accountants

### INDEPENDENT AUDITORS' REPORT

**Board of Commissioners**  
**Allen Parish Fire Protection District No. 6**  
Oakdale, Louisiana

We have audited the accompanying financial statements of the governmental activities and each major fund of the Allen Parish Fire Protection District No. 6 (District), a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2013, 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 on pages 3-7 and budgetary comparison information on page 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*

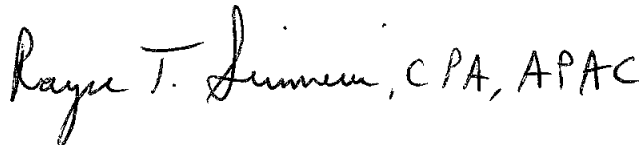
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of compensation to board members is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation to board members on page 30 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 schedule of compensation to board members 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 10, 2014, on our consideration of the 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 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.

Royce T. Scimemi, CPA, APAC  
June 10, 2014



## ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

### Management's Discussion and Analysis

Within this section of the Allen Parish Fire Protection District No. 6 annual financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the fiscal year ended December 31, 2013 with comparisons to prior year results. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

#### Financial Highlights

- The District's assets exceeded its liabilities by \$1,814,363 and \$1,803,450 (net position) for the fiscal years 2012 and 2013, respectively.
- For 2013, total expenses of \$223,069 exceeded total revenues of \$212,156, which resulted in a 2013 deficit of \$10,913. For 2012, total expenses of \$173,812 were exceeded by total revenues of \$180,245, which resulted in a prior year surplus of \$6,433.
- Total net position of \$1,803,450 are comprised of the following:
  - (1) Capital assets of \$801,654 include property and equipment, net of accumulated depreciation, and are reduced for outstanding debt, if any, related to the purchase of capital assets.
  - (2) Restricted net position of \$206,082.
  - (3) Unrestricted net position of \$795,714.
- The District's governmental funds reported total ending fund balances of \$1,001,796 and \$783,469, for 2013 and 2012, respectively. Therefore, they reflect an increase of \$218,327 in 2013 and an increase of \$49,196 during 2012.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$795,714, or 202% of total General Fund expenditures and 492% of total General Fund revenues. At the end of the prior fiscal year, unassigned fund balance for the General Fund was \$783,469, or 598% of total General Fund expenditures and 435% of total General Fund revenues.
- Overall, the District continues to maintain a solid financial position and is continuing to work to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

#### Overview of the Financial Statements

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements.

#### Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

# ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

## Management's Discussion and Analysis (Continued)

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the District's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided.

The government-wide financial statements are presented on pages 10 through 11 of this report.

### **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The District uses governmental funds as follows:

*Governmental funds* are reported in the fund financial statements and encompass the same function as governmental activities reported in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 14 through 17 of this report.

### *Notes to the financial statements*

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 18 of this report.

### *Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget presentations. We have included as "required supplementary information" and "other supplementary information" for the General Fund the following: (i) a budgetary comparison schedule (page 28) which demonstrates compliance with the District's adopted and final revised budget, and (ii) a schedule of compensation paid to board members (page 30).

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Management's Discussion and Analysis (Continued)

**Financial Analysis of the District as a Whole**

The District's net position at fiscal year-end December 31, 2013 and December 31, 2012 was \$1,803,450 and \$1,814,363, respectively. The following table provides a summary of the District's net position:

	<u>2013</u>		<u>2012</u>	
<b>Assets:</b>				
Current assets	\$ 1,012,391	46%	\$ 788,283	43%
Capital assets	<u>1,209,917</u>	<u>54</u>	<u>1,030,894</u>	<u>57</u>
Total assets	<u>2,222,308</u>	<u>100%</u>	<u>1,819,177</u>	<u>100%</u>
Deferred outflows of resources	<u>-</u>	<u>100%</u>	<u>-</u>	<u>100%</u>
<b>Liabilities:</b>				
Current liabilities	32,858	8%	4,814	100%
Long-term liabilities	<u>386,000</u>	<u>92</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>418,858</u>	<u>100%</u>	<u>4,814</u>	<u>100%</u>
Deferred inflows of resources	<u>-</u>	<u>100%</u>	<u>-</u>	<u>100%</u>
<b>Net position:</b>				
Investment in capital assets, net of debt	801,654	45%	1,030,894	57%
Restricted	206,082	11	-	-
Unrestricted	<u>795,714</u>	<u>44</u>	<u>783,469</u>	<u>43</u>
Total net position	<u>\$ 1,803,450</u>	<u>100%</u>	<u>\$ 1,814,363</u>	<u>100%</u>

The District continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratios are 30.81 to 1 and 163.75 to 1 for the current and prior fiscal years, respectively. Note that approximately 45% of the governmental activities' net position are tied up in capital assets. The District uses these capital assets to provide services to its citizens.

Overall, the District reports net position of \$1,803,450 and \$1,814,363 for 2013 and 2012, respectively. This amounts to a decrease in net position of \$10,913 and an increase in net position of \$6,433 for 2013 and 2012, respectively. The District has \$801,654 invested in capital assets, net of \$400,000 in related bond debt, accrued interest of \$8,263, and \$708,265 in accumulated depreciation. The District's overall financial position deteriorated slightly during fiscal year 2013. However, it remains financially strong from a liquidity standpoint for a District its size.

The following table provides a summary of the District's changes in net position:

	<u>2013</u>		<u>2012</u>	
<b>Revenues:</b>				
<b>Program:</b>				
Operating grants and contributions	\$ 10,862	5%	\$ 10,081	5%
<b>General:</b>				
Ad valorem tax revenues	197,289	93	167,285	93
Interest	3,216	2	2,879	2
Miscellaneous	<u>789</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>212,156</u>	<u>100%</u>	<u>180,245</u>	<u>100%</u>
<b>Expenses:</b>				
<b>Program expenses:</b>				
Fire fighting and rescue	214,806	96%	173,812	100%
Interest on long-term debt	<u>8,263</u>	<u>4</u>	<u>-</u>	<u>-</u>
Total expenses	<u>223,069</u>	<u>100%</u>	<u>173,812</u>	<u>100%</u>

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Management's Discussion and Analysis (Continued)

Change in net position	(10,913)	6,433
Beginning net position	<u>1,814,363</u>	<u>1,807,930</u>
Ending net position	\$ <u>1,803,450</u>	\$ <u>1,814,363</u>

**Governmental Revenues**

The District is heavily reliant on property taxes to support its operations. Property taxes provided 93% of the District's revenues.

**Governmental Functional Expenses**

The total function of the District is fire fighting and rescue. The only other non-functional cost is interest expense related to the general obligation bonds. Of the total cost, depreciation on the property and equipment was \$64,296 for 2012 and \$80,993 for 2013 or 37% and 36% of total expenses in 2012 and 2013, respectively.

Financial Analysis of the District's Funds

**Governmental Funds**

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

Governmental funds reported an ending fund balance of \$1,001,796 for 2013. Legally restricted fund balances include \$155,609 and \$50,473 restricted for capital outlays and debt service, respectively, for 2013. As a result, the unassigned fund balance was \$795,714 at the end of 2013.

Governmental funds reported an unassigned ending fund balance of \$783,469 for 2012.

The total fund balance increased by \$218,327 in 2013 and increased by \$49,196 in 2012.

**Major Governmental Funds**

The General Fund is the District's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$167,854 in 2013 and by \$49,196 in 2012. In fiscal year 2013, revenues were exceeded by prior year figures by \$18,562. Operating expenditures increased by \$262,780 in 2013 and increased by \$17,721 in 2012, mainly due to changes in capital outlays.

The Debt Service Fund accumulates resources for the payment of long-term debt. The fund balance in the Debt Service Fund increased by \$50,473 in 2013. The District reported a \$50,473 restricted fund balance in the Debt Service Fund since the related bonds have ad valorem taxes pledged for debt service.

**Budgetary Highlights**

**The General Fund** – When the original 2013 budget was adopted, it was anticipated that the tax revenues would decrease by \$12,285 while intergovernmental revenues would decrease by \$1,081 in comparison to the previous year. For the fiscal year ended December 31, 2013, revenue sources were exceeded by budgeted amounts by \$2,817. The original 2013 budget reflected an expected increase in expenditures of \$13,951 over the prior year. However, actual expenses for the current year were \$393,829 less than the budget amount of \$498,925. The budget was amended primarily to increase capital outlays funded by the \$400,000 general obligation bond issue.



# ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

## Management's Discussion and Analysis (Continued)

### Capital Assets and Debt Administration

#### *Capital assets*

The District's investment in capital assets, net of accumulated depreciation as of December 31, 2013 and 2012, was \$1,209,917 and \$1,065,118, respectively. See Note D for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital asset activity.

	<u>2013</u>	<u>2012</u>
Nondepreciable assets - Land	\$ 34,224	34,224
Depreciable assets:		
Buildings and improvements	415,252	399,076
Furniture and fixtures	3,467	3,467
Machinery and equipment	500,828	269,641
Vehicles	<u>964,411</u>	<u>976,721</u>
Total depreciable assets	1,883,958	1,648,905
Less accumulated depreciation	<u>708,265</u>	<u>652,235</u>
Book value-depreciable assets	\$ <u>1,175,693</u>	<u>996,670</u>
Percentage depreciated	<u>38%</u>	<u>40%</u>
Book value-all assets	\$ <u>1,209,917</u>	\$ <u>1,030,894</u>

#### *Long-term debt*

At the end of the fiscal year, the District had total general obligation bonds outstanding of \$400,000. These bond obligations were secured by debt service fund revenues. During the year 2013, the District issued \$400,000 in general obligation bonds. See Note E for additional information regarding long-term debt.

### Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the District's Treasurer, Tina Williams, at (318) 335-1536.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Statement of Net Position

December 31, 2013

Governmental Activities

ASSETS	
Cash and interest-bearing deposits	\$ 660,925
Cash and interest-bearing deposits-restricted	155,609
Ad valorem taxes receivable, net	195,428
Accrued interest receivable	429
Capital assets:	
Land	34,224
Capital assets, net	<u>1,175,693</u>
Total assets	<u>2,222,308</u>
Deferred outflows of resources	<u>          -</u>
LIABILITIES	
Current liabilities:	
Accounts payable	10,595
Interest payable	8,263
Long-term liabilities:	
Due within one year	14,000
Due after one year	<u>386,000</u>
Total liabilities	<u>418,858</u>
Deferred inflows of resources	<u>          -</u>
NET POSITION	
Invested in capital assets, net of related debt	801,654
Restricted	206,082
Unrestricted	<u>795,714</u>
Total net position	\$ <u>1,803,450</u>

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Statement of Activities

Year Ended December 31, 2013

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position Governmental Activities
		Direct	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Fire fighting and rescue	\$214,806	\$ -	\$ 10,862	\$ -	\$ (203,944)
Interest on long-term debt	<u>8,263</u>	-	-	-	<u>(8,263)</u>
Total	<u>\$223,069</u>	<u>\$ -</u>	<u>\$ 10,862</u>	<u>\$ -</u>	(212,207)

General revenues:	
Ad valorem taxes	197,289
Interest earnings	3,216
Miscellaneous income	<u>789</u>
Total general revenues	<u>201,294</u>
Change in net position	(10,913)
Net position-December 31, 2012	<u>1,814,363</u>
Net position-December 31, 2013	<u>\$1,803,450</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS (FFS)

## MAJOR FUND DESCRIPTIONS

### **General Fund**

To account for financial resources traditionally associated with governments, which are not required to be accounted for in another fund.

### **Debt Service Fund**

To account for the accumulation of resources for and the payment of long-term debt.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Balance Sheet - Governmental Funds

December 31, 2013

	<u>GOVERNMENTAL FUND TYPES</u>		
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Totals</u>
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ 660,925	\$ -	\$ 660,925
Cash and interest-bearing deposits-restricted	155,609	-	155,609
Receivables			
Ad valorem taxes, net	145,666	49,762	195,428
Accrued interest	429	-	429
Due from other fund	<u>-</u>	<u>711</u>	<u>711</u>
Total assets	962,629	50,473	1,013,102
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflow of resources	\$ <u>962,629</u>	\$ <u>50,473</u>	\$ <u>1,013,102</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 10,595	\$ -	\$ 10,595
Due to other fund	<u>711</u>	<u>-</u>	<u>711</u>
Total liabilities	<u>11,306</u>	<u>-</u>	<u>11,306</u>
<b>DEFERRED INFLOW OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND EQUITY</b>			
Fund balances			
Unassigned	795,714	-	795,714
Restricted	<u>155,609</u>	<u>50,473</u>	<u>206,082</u>
Total fund equity	<u>951,323</u>	<u>50,473</u>	<u>1,001,796</u>
 Total liabilities, deferred inflows of resources, and fund equity	 \$ <u>962,629</u>	 \$ <u>50,473</u>	 \$ <u>1,013,102</u>

The accompanying notes are an integral part of these financial statements.



ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

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

December 31, 2013

Total fund balances for governmental funds at December 31, 2013 \$ 1,001,796

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund financial statements. Those assets consist of:

Land	\$ 34,224	
Buildings and improvements, net of \$90,485 accumulated depreciation	324,767	
Furniture and fixtures, net of \$1,485 accumulated depreciation	1,982	
Machinery and equipment, net of \$162,560 accumulated depreciation	338,268	
Vehicles, net of \$453,735 accumulated depreciation	<u>510,676</u>	
		<u>1,209,917</u>

Long-term liabilities at December 31, 2013:

Accrued interest payable	(8,263)	
Bonds payable	<u>(400,000)</u>	
		<u>(408,263)</u>

Total net position of governmental activities at December 31, 2013 \$1,803,450

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Statement of Revenues, Expenditures, and Changes  
in Fund Balances – Governmental Funds

Year Ended December 31, 2013

	General Fund	Debt Service Fund	Totals
REVENUES			
Ad valorem taxes, net	\$ 146,816	\$ 50,473	\$ 197,289
Interest	3,216	-	3,216
Intergovernmental	10,862	-	10,862
Miscellaneous	<u>789</u>	<u>-</u>	<u>789</u>
TOTAL REVENUES	161,683	50,473	212,156
EXPENDITURES			
Current			
Advertising	2,040	-	2,040
Bond issue costs	8,760	-	8,760
Contract labor	37,801	-	37,801
Election costs	562	-	562
Fuel	6,561	-	6,561
Insurance	21,523	-	21,523
Office supplies	544	-	544
Postage	146	-	146
Professional fees	4,400	-	4,400
Repairs and maintenance	26,272	-	26,272
Supplies	5,835	-	5,835
Taxes and licenses	29	-	29
Training	1,318	-	1,318
Utilities	9,907	-	9,907
Capital outlay	268,131	-	268,131
Debt service			
Principal	-	-	-
Interest	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>393,829</u>	<u>-</u>	<u>393,829</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(232,146)	50,473	(181,673)
OTHER FINANCING SOURCES (USES)			
Bond proceeds	<u>400,000</u>	<u>-</u>	<u>400,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>400,000</u>	<u>-</u>	<u>400,000</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	167,854	50,473	218,327
FUND BALANCE - BEGINNING	<u>783,469</u>	<u>-</u>	<u>783,469</u>
FUND BALANCE - ENDING	\$ <u>951,323</u>	\$ <u>50,473</u>	\$ <u>1,001,796</u>

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

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

Year Ended December 31, 2013

Total net changes in fund balances at December 31, 2013 per statement of revenues, expenditures and changes in fund balances		\$218,327
The change in net position reported for governmental activities in the statement of activities is 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.		
Capital outlays which are considered expenditures on statement of revenues, expenditures and changes in fund balances	\$ 268,131	
Net basis in assets disposed of during year ended 2013	(8,115)	
Depreciation expense for the year ended December 31, 2013	<u>(80,993)</u>	179,023
Governmental funds report general obligation bond proceeds as revenues. However, this revenue does not appear on the statement of activities since the debt is reported on the statement of net position.		(400,000)
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis		<u>(8,263)</u>
Total changes in net position at December 31, 2013 per statement of activities		\$ <u>(10,913)</u>

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH FIRE PROTECTION DISTRICT #6  
Oakdale, Louisiana

Notes to the Financial Statements  
December 31, 2013

Allen Parish Fire Protection District No. 6 was created under the provisions of Louisiana Revised Statutes 40:1491-1510, for the purpose of providing fire protection for the citizens of District 6 of Allen Parish. The district is governed by a board of commissioners composed of five members appointed by the Allen Parish Police Jury.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of Allen Parish Fire Protection District No. 6 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Allen Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization, and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints all members to the governing body and has the ability to impose its will on the District, the District was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to the Financial Statements – Continued  
December 31, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity. The District has no component units

2. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The accompanying basic financial statements have been prepared in conformity with GASB 34, “Basic Financial Statements and Management’s Discussion and Analysis-For State and Local Governments”, issued in June 1999.

GASB 63 – “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position” is adopted for the fiscal year ended December 31, 2013. GASB Statement 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, Elements of Financial Statements introduced and defined those elements as a consumption of net position by the government that is applicable to a future reporting period and an acquisition of net position by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial elements, which are distinct from assets and liabilities. Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in GASB No. 34, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments,” and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net position.

GASB 65 – “Items Previously Reported as Assets and Liabilities” is adopted for the fiscal year ended December 31, 2013. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement amends the financial statement element classification of certain items previously reported as net position and liabilities to be consistent with the definitions in Concepts Statement No. 4. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations.

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the District as a whole. These statements include all the financial activities of the District except for fiduciary-agency funds. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to the Financial Statements – Continued  
December 31, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

nonexchange transactions are recognized in accordance with the requirements of GASB 33, “Accounting and Financial Reporting for Nonexchange Transactions.”

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include operating grants and contributions. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements (FFS)

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are classified into one category: governmental. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District or its total assets, liabilities, revenues or expenditures are at least 10% of the corresponding total for all governmental funds. The major funds of the District are described below:

Governmental Fund Types:

General Fund -

The General Fund is the general operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Debt Service Fund -

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

3. Measurement Focus/Basis of Accounting

The amounts reflected in the governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of District operations. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The amounts reflected in the governmental funds use the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to the Financial Statements – Continued  
December 31, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for the interest and principal payments on long-term debt which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent after December 31. The taxes are generally collected in December, January, and February of the fiscal year. The government considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues.

Those revenues susceptible to accrual are property taxes and interest income.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Capital expenditures are regarded as expenditures at the time of purchase.

4. Deposits

Deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits.

State statutes authorize the District to invest in obligations of the U.S. Treasury, U.S. government agencies, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana, as stipulated in R.S. 39:1271, or any other federally insured investment. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana. LAMP generates a local government investment pool.

5. Accounts Receivable

Uncollectible amounts due for ad valorem taxes and other receivables of governmental funds are recognized as bad debts at the time information becomes available which would indicate that the particular receivable is not collectible.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to the Financial Statements -- Continued  
December 31, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of donation. The District maintains a threshold level of \$1,500 or more for capitalizing capital assets.

Capital assets are recorded in the statement of net position. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Estimated Useful Lives</u>
Buildings and improvements	25-50 Years
Furniture and fixtures	12-25 Years
Machinery and equipment	5-25 Years
Vehicles	7-25 Years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

7. Budget

A general fund budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. On or before the last meeting of each year, the budget is prepared by function and activity, based on information from the past year and current year estimates for the next fiscal year. The proposed budget is presented to the District's Board of Commissioners for review. The board holds a public hearing. Any changes in the budget must be within the revenues and reserves estimated. The final budget for 2013 consists of the original budget adopted December 15, 2012, and it was amended once during the current fiscal year.

8. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District as an extension of formal budgetary integration in the funds.

9. Equity Classification

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.



ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to the Financial Statements – Continued  
December 31, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Committed net position - Consists of net position with constraints placed on the use by the District.
- d. Unrestricted net position – All other net position that do not meet the definitions of a, b, or c above.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified follows:

- a. 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.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulation of other governments.
- c. Committed – amounts that can be used for specific purposes determined by a formal action of the Board. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Board’s adopted policy, only board members may assign amounts for specific purposes.
- e. Unassigned – all other spendable amounts.

10. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

11. Long-Term Debt

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to the Financial Statements – Continued  
December 31, 2013

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

12. Subsequent Review

The District has evaluated subsequent events through the date which the financial statements were available to be issued.

NOTE B – DEPOSITS

As of December 31, 2013, the District had cash and interest bearing deposits (book balances) totaling \$816,534. These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2013, the District had \$818,218 in deposits (collected bank balances), all of which was secured from risk by federal deposit insurance and pledged securities as follows:

Bank balances	<u>\$ 818,218</u>
Federal deposit insurance	\$ 603,943
Pledged securities (Category 3)	<u>214,275</u>
Total	<u>\$ 818,218</u>

Pledged securities in Category 3, includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE C - AD VALOREM TAXES

For the year ended December 31, 2013, taxes of 15.12 mills were levied on property with taxable assessed valuations totaling \$13,536,365 for the maintenance and debt service millages and were dedicated as follows:

Maintenance millage expiring December 31, 2017	11.27 mills
Debt service millage expiring December 31, 2027	3.85 mills

Total taxes levied during 2013 were \$204,670. Total taxes collected during 2013 were \$172,349.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued  
December 31, 2013

Property tax millage rates are adopted before November for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15<sup>th</sup> of the current year, and become delinquent after December 31<sup>st</sup>. Property taxes not paid by the end of February are subject to lien.

NOTE D - CAPITAL ASSETS

A summary of changes in capital assets follows:

	12/31/12			12/31/13
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Capital assets not being depreciated:				
Land	\$ 34,224	\$ -	\$ -	\$ 34,224
Other capital assets:				
Buildings and improvements	399,076	17,316	1,140	415,252
Furniture and fixtures	3,467	-	-	3,467
Machinery and equipment	269,641	250,815	19,628	500,828
Vehicles	<u>976,721</u>	<u>-</u>	<u>12,310</u>	<u>964,411</u>
Total Capital Assets	<u>1,683,129</u>	<u>268,131</u>	<u>33,078</u>	<u>1,918,182</u>
Less: accumulated depreciation:				
Buildings and improvements	80,584	9,958	57	90,485
Furniture and fixtures	1,148	337	-	1,485
Machinery and equipment	144,166	31,818	13,424	162,560
Vehicles	<u>426,337</u>	<u>38,880</u>	<u>11,482</u>	<u>453,735</u>
Total Accumulated Depreciation	<u>652,235</u>	<u>80,993</u>	<u>24,963</u>	<u>708,265</u>
Net capital assets	\$ <u>1,030,894</u>	\$ <u>187,138</u>	\$ <u>8,115</u>	\$ <u>1,209,917</u>

Depreciation expense in the amount of \$80,993 was charged to fire fighting and rescue in 2013.

NOTE E - LONG-TERM DEBT

1. Debt Outstanding

Bonds payable at December 31, 2013 is comprised of the following issue:

\$ 400,000 general obligation bonds dated March 11, 2013; due in annual installments of \$14,000 to \$34,000 through March 15, 2028; interest at 2.57% (this issue secured by levy and collection of ad valorem taxes)	<u>\$ 400,000</u>
---	-------------------

The following is a summary of the long-term debt transactions during the year 2013:

Long-term debt payable at December 31, 2012	\$ -
Additions	400,000
Reductions	-
Long-term debt payable at December 31, 2013	<u>\$ 400,000</u>

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

Notes to Basic Financial Statements-Continued  
December 31, 2013

2. Debt Service Requirements to Maturity

The annual requirements to amortize the bond issue including interest payments are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	14,000	15,536	29,536
2015	22,000	9,752	31,752
2016	22,000	9,180	31,180
2017	23,000	8,595	31,595
2018	24,000	7,984	31,984
2019 through 2023	135,000	29,840	164,840
2024 through 2028	<u>160,000</u>	<u>10,662</u>	<u>170,662</u>
	<u>\$400,000</u>	<u>\$ 91,549</u>	<u>\$491,549</u>

NOTE F - COMPONENTS OF RESTRICTED ASSETS

Restricted assets consisted of \$155,609 in cash received and remaining out of the \$400,000 general obligation. This cash is restricted to the acquisition of capital assets.

NOTE G - RISK MANAGEMENT

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; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE H - LITIGATION AND CLAIMS

The District was not involved in any litigation on December 31, 2013 or during the year then ended.

NOTE I - SUBSEQUENT REVIEW

The District has evaluated subsequent events through June 10, 2014, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6

Budgetary Comparison Schedule  
 General Fund  
 Year Ended December 31, 2013

	Original Budget	Amended/ Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Ad valorem taxes, net	\$ 155,000	\$ 160,000	\$ 146,816	\$ (13,184)
Interest	5,000	2,500	3,216	716
Intergovernmental	9,000	2,000	10,862	8,862
Miscellaneous	-	-	789	789
<b>TOTAL REVENUES</b>	<b>169,000</b>	<b>164,500</b>	<b>161,683</b>	<b>(2,817)</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Advertising	1,000	2,500	2,040	460
Bond issue costs	-	-	8,760	(8,760)
Contract labor	30,000	36,000	37,801	(1,801)
Dues & subscriptions	1,200	1,200	-	1,200
Election costs	-	-	562	(562)
Fuel	7,000	6,600	6,561	39
Insurance	21,000	22,000	21,523	477
Office supplies	1,000	750	544	206
Postage	250	175	146	29
Professional fees	5,500	5,000	4,400	600
Repairs and maintenance	27,500	32,250	26,272	5,978
Supplies	10,000	6,500	5,835	665
Taxes and licenses	100	100	29	71
Training	1,200	1,500	1,318	182
Utilities	6,750	9,350	9,907	(557)
Capital outlay	<u>32,500</u>	<u>375,000</u>	<u>268,131</u>	<u>106,869</u>
<b>TOTAL EXPENDITURES</b>	<b>145,000</b>	<b>498,925</b>	<b>393,829</b>	<b>105,096</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>24,000</b>	<b>(334,425)</b>	<b>(232,146)</b>	<b>102,279</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond proceeds	-	400,000	400,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>400,000</b>	<b>400,000</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>24,000</b>	<b>65,575</b>	<b>167,854</b>	<b>102,279</b>
<b>FUND BALANCE – BEGINNING</b>	<b>783,469</b>	<b>783,469</b>	<b>783,469</b>	<b>-</b>
<b>FUND BALANCE – ENDING</b>	<b>\$ 807,469</b>	<b>\$ 849,044</b>	<b>\$ 951,323</b>	<b>\$ 102,279</b>

OTHER SUPPLEMENTARY INFORMATION

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Schedule of Compensation Paid to Board Members

Year Ended December 31, 2013

Randy Deshotel	\$ 300
Richard Earl	120
Johnny Glenn	360
Everett Lovejoy	240
Myrl Ray	210
Jerrod Wheat	<u>360</u>
Total Compensation Paid to Board Members	<u>\$1,590</u>



**ROYCE T. SCIMEMI, CPA, APAC**  
**CERTIFIED PUBLIC ACCOUNTANT**



P.O. Box 210  
Oberlin, LA 70655  
Tele (337) 639-4334, Fax (337) 639-4068

Member  
American Institute of  
Certified Public Accountants

Member  
Society of Louisiana  
Certified Public Accountants

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

**Board of Commissioners**  
**Allen Parish Fire Protection District No. 6**  
Oakdale, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Allen Parish Fire Protection District No. 6 (District), as of and for the year ended December 31, 2013, 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 10, 2014.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 the 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 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2013-1 C.

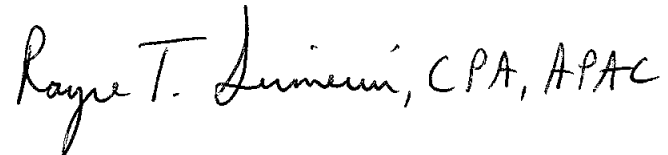
**Board of Commissioners  
Allen Parish Fire Protection District No. 6  
Independent Auditors' Report  
June 10, 2014**

**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.

This report is intended solely for the use of management of Allen Parish Fire Protection District No. 6, others within the entity, and the Legislative Auditor, State of Louisiana, and should not be used by anyone other than these specified parties. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

Royce T. Scimemi, CPA, APAC

A handwritten signature in black ink that reads "Royce T. Scimemi, CPA, APAC". The signature is written in a cursive style with a large initial 'R' and 'S'.

ALLEN PARISH FIRE PROTECTION DISTRICT NO. 6  
Oakdale, Louisiana

SUMMARY OF FINDINGS AND RESPONSES  
For the Year Ended December 31, 2013:

**Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?                    \_\_\_ yes      X  no
- Control deficiencies(s) identified that are  
not considered to be material weakness(es)?       \_\_\_ yes      X  none reported
- Noncompliance material to financial  
statements noted?    \_\_\_ yes      X  no

**Findings – Financial Statement Audit**

Finding #2013-1 C:

Public Bid Law Compliance

Criteria: The District purchased \$13,583 in bunker gear that may not have been in compliance with the Public Bid Law. The District was required under the Public Bid Law to have documentation of 3 phone or facsimile quotes on this purchase. No phone or facsimile documentation was provided on this purchase.

Cause: Documentation of compliance with the Public Bid Law was not gathered at the time the purchases were made.

Effect: Possible violation of the Public Bid Law.

Recommendation: Closely monitor departmental acquisition of large purchases by the Fire Chief to ensure that adequate documentation is maintained.

Response: This was an inadvertent oversight on documentation collection only. Management is now completely aware of the requirements under the public bid law and will comply in the future.

**Findings and Questioned Costs for Federal Awards:**  
N/A