

**CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana**

Annual Financial Statements

**As of and for the Year Ended
December 31, 2017**

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended December 31, 2017

C O N T E N T S

	Statement	Page No.
Accountant's Compilation Report		2
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A	5
Statement of Activities	B	6
Fund Financial Statements:		
Governmental Fund:		
Balance Sheet	C	7
Statement of Revenues, Expenditures and Changes in Fund Balances	D	8
Notes to the Financial Statements		10
	Schedule	Page No.
Required Supplemental Information:		
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and And Actual - General Fund	1	17
Supplemental Information Schedule:		
Schedule of Compensation, Benefits And Other Payments to Agency Head And Board of Commissioners	2	20
Schedule of Prior Year Findings	3	21
Current Year Findings and Corrective Action Plan	4	22

M. CARLEEN DUMAS
Certified Public Accountant
369 Donaldson Road. Calhoun, Louisiana. Telephone 318/644-5726

Accountant's Compilation Report

BOARD OF COMMISSIONERS
CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and major fund information of Caldwell Parish Fire Protection Board, District No. 1, a component unit of Caldwell Parish, as of and for the year ended December 31, 2017, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to agency head and board of commissioners and the schedule of prior year findings are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. The information was subject to my compilation engagement, but I have not audited or reviewed the supplementary information, and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 17 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. I have not audited or reviewed the information, and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Member of the American Institute of Certified Public Accountants
Member of the Society of Louisiana of Certified Public Accountants

BOARD OF COMMISSIONERS
CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. The Management's Discussion and Analysis, 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.

/s Carleen Dumas
Calhoun, Louisiana
June 19, 2018

BASIC FINANCIAL STATEMENTS

Statement A

CALDWELL PARISH FIRE PROTECTION BOARD, DISTRICT NO. 1
Columbia, Louisiana

STATEMENT OF NET POSITION
December 31, 2017

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash	\$50,391
Receivables - sales tax	1,813
Capital assets	<u>445,889</u>
TOTAL ASSETS	<u>498,093</u>
LIABILITIES	
Accounts payable	<u>1,664</u>
NET POSITION	
Net investment in capital assets	445,889
Unrestricted	<u>50,540</u>
TOTAL NET POSITION	<u><u>\$496,429</u></u>

See accompanying notes and accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
 DISTRICT NO. 1
 Columbia, Louisiana

STATEMENT OF ACTIVITIES
 For the Year Ended December 31, 2017

	<u>GOVERNMENTAL ACTIVITIES</u>
Expenses:	
Public safety - fire protection	\$100,556
Program revenues:	
Operating grants	<u>18,400</u>
Net (expense) revenue	<u>(82,156)</u>
General revenues:	
Sales taxes	24,112
State fire insurance rebate	18,630
Interest earnings	<u>22</u>
Total general revenues	<u>42,764</u>
Change in net position	(39,392)
Net position - beginning (restated)	<u>535,821</u>
Net position - ending	<u><u>\$496,429</u></u>

See accompanying notes and accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
 DISTRICT NO. 1
 Columbia, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
 December 31, 2017

	<u>GENERAL FUND</u>
ASSETS	
Cash	\$50,391
Receivables - sales tax	<u>1,813</u>
TOTAL ASSETS	<u><u>\$52,204</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities - accounts payable	\$1,664
Fund balance - unassigned	<u>50,540</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$52,204</u></u>
 Reconciliation of the Balance Sheet of Governmental Fund To the Statement of Net Position:	
Fund balance - unassigned - General Fund	\$50,540
Amount reported for net position of governmental activities in the Statement of Net Position (Statement A) is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund	<u>445,889</u>
Net position of governmental activities (Statement A)	<u><u>\$496,429</u></u>

See accompanying notes and accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
 DISTRICT NO. 1
 Columbia, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
 For the Year Ended December 31, 2017

	<u>GENERAL FUND</u>
REVENUES	
Sales taxes	\$24,112
Intergovernmental revenue:	
Local grants	18,400
State fire insurance rebate	18,630
Interest earnings	<u>22</u>
Total revenues	<u>61,164</u>
EXPENDITURES	
Public safety - fire protection:	
Current:	
Personal services	171
Operating services	29,765
Materials and supplies	14,393
Travel and other	1,753
Capital outlay	<u>2,500</u>
Total expenditures	<u>48,582</u>
NET CHANGE IN FUND BALANCE	12,582
FUND BALANCE AT BEGINNING OF YEAR	<u>37,958</u>
FUND BALANCE AT END OF YEAR	<u><u>\$50,540</u></u>

(Continued)

See accompanying notes and accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
 DISTRICT NO. 1
 Columbia, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - GOVERNMENTAL FUND (Contd.)
 For the Year Ended December 31, 2017

	<u>GENERAL FUND</u>
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities:	
Net change in fund balance - General Fund	\$12,582
Amount reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay expenditures in the current period.	<u>(51,974)</u>
Change in net position of governmental activities (Statement B)	<u><u>(\$39,392)</u></u>

(Concluded)

See accompanying notes and accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

INTRODUCTION

The Caldwell Parish Fire Protection Board, District No. 1 was created by the Caldwell Parish Police Jury as authorized by Louisiana Revised Statute 40:1492. The district is governed by a five member board appointed by the police jury. The district is responsible for providing fire protection within the boundaries of the district. The district has no employees.

GASB Statement No. 14, *The Reporting Entity* and No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Statements, the Caldwell Parish Fire Protection Board, District No. 1 is considered a component unit of the Caldwell Parish Police Jury. As a component unit, the accompanying financial statements maybe included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide 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 the activities of the Caldwell Parish Fire Protection Board, District No. 1.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are generally provided for governmental funds and proprietary funds. All individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements. The Caldwell Parish Fire Protection Board, District No. 1 has only one governmental fund.

See accountant's compilation report.

**B. Measurement Focus, Basis of Accounting, and
Financial Statement Presentation**

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Sales taxes associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the district.

The Caldwell Parish Fire Protection Board, District No. 1 reports the following governmental fund:

General Fund

The General fund is the general operating fund of the district and accounts for all financial resources.

C. Deposits

Cash includes amounts in interest-bearing demand deposits. State law limits the district's credit risk by restricting the district's investments to collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

CALDWELL PARISH FIRE PROTECTION BOARD,
 DISTRICT NO. 1
 Notes to the Financial Statements

D. Receivables

The district receives a pro-rata share of a one-fourth of one percent parishwide (excluding the Town of Columbia) sales tax approved by the voters in Caldwell Parish on October 19, 1985 for fire protection in the parish. The sales tax is collected by the police jury and remitted to the district net of its pro-rata share of the cost of collection.

Receivables are generally shown net of an allowance for uncollectible accounts. These statements contain no provision for uncollectible accounts. The district is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole.

E. Capital Assets

Capital assets, which consist of land, buildings, and vehicles and equipment are reported in the governmental activities column in the government-wide financial statements. Land and buildings are recorded at estimated historical cost. Ninety-nine percent of the amount recorded as vehicles and equipment were donated to the district from other agencies and are recorded at estimated fair market value on the date of donation. The Caldwell Parish Fire Protection Board, District No. 1 maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

	Estimated Lives
Buildings	25 years
Vehicles	15 years

F. Net Position/Fund Balance

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
2. imposed by law through constitutional provisions or enabling legislation.

See accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Notes to the Financial Statements

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which funds can be spent. Fund balance should be reported as restricted when constraints on the use of the funds meet the same criteria as restricted net position in the government-wide statement of net position as noted in the previous paragraph. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the board of commissioners are reported as committed fund balance. Assigned fund balance are amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The board of commissioners is authorized to assign amounts to a specific purpose. Unassigned fund balance is the residual classification and represents fund balance that has not been restricted, committed, or assigned to a specific purpose.

At December 31, 2017, the District's had only unassigned fund balance in the General Fund.

G. Estimates

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

**2. STEWARDSHIP, COMPLIANCE, AND
ACCOUNTABILITY**

Budget Information

The Caldwell Parish Fire Protection Board, District No. 1 uses the following budget practices:

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is adopted by the board of commissioners each year.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Encumbrance accounting is not used by the district.

Budgeted amounts included in the accompanying financial statements include the original adopted budget. There were no budget amendments during the year.

See accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Notes to the Financial Statements

The following individual fund’s actual expenditures exceeded budgeted expenditures for the year ended December 31, 2017:

	Original Budget	Final Budget	Actual	Unfavorable Variance
General Fund	<u>\$41,900</u>	<u>\$41,900</u>	<u>\$48,582</u>	<u>\$6,682</u>

3. DEPOSITS IN FINANCIAL INSTITUTIONS

At December 31, 2017, the district has cash as follows:

Interest-bearing checking account	\$37,579
Savings account	<u>12,812</u>
Total	<u>\$50,391</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Cash (bank balances) at December 31, 2017, are fully secured from risk by federal deposit insurance.

4. CAPITAL ASSETS

Capital assets as of and for the year ended December 31, 2017, are as follows:

	Balance at January 1, 2017	Increases	Decreases	Balance at December 31, 2017
Governmental activities:				
Capital assets not being depreciated:				
Land	<u>\$10,000</u>	<u>NONE</u>	<u>NONE</u>	<u>\$10,000</u>
Capital assets being depreciated:				
Buildings	286,575			286,575
Vehicles	<u>1,260,000</u>	<u>\$2,500</u>		<u>1,262,500</u>
Total	<u>1,546,575</u>	<u>2,500</u>	<u>NONE</u>	<u>1,549,075</u>
Less accumulated depreciation for:				

See accountant’s compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Notes to the Financial Statements

	Balance at January 1, 2017	Increases	Decreases	Balance at December 31, 2017
Buildings	\$116,079	\$11,232		\$127,311
Vehicles	942,633	43,242		985,875
Total accumulated depreciation	1,058,712	54,474	NONE	1,113,186
Total assets being depreciated, net	487,863	(51,974)	NONE	435,889
Total assets	<u>\$497,863</u>	<u>(\$51,974)</u>	<u>NONE</u>	<u>\$445,889</u>

Depreciation expense of \$54,474 for the year ended December 31, 2017 was charged to the public safety function in the statement of activities.

5. RESTATEMENT OF BEGINNING NET POSITION

The amount reported for capital assets and net investment in capital assets in the prior year financial statements was overstated by \$1,028,212 due to the fact that prior to 2017, depreciation expense on capital assets had not been reported by the District. Beginning net position has been restated for accumulated depreciation at December 31, 2016. Depreciation expense was recorded in the current year statement of activities for governmental activities. Beginning net position reported in the accompanying financial statements has been restated as follows :

Beginning net position as previously reported	\$1,564,033
Accumulated depreciation of capital assets	<u>(1,028,212)</u>
Beginning net position, restated	<u>\$535,821</u>

6. SUBSEQUENT EVENTS

The District has evaluated subsequent events through June 19, 2018, the date which the financial statements were available to be issued.

See accountant’s compilation report.

REQUIRED SUPPLEMENTAL INFORMATION

See accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2017

	BudgetedAmounts.....		Actual Amounts (Budgetary Basis - GAAP)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales taxes	\$24,000	\$24,000	\$24,112	\$112
Intergovernmental revenues:				
Local grants	14,400	14,400	18,400	4,000
State fire insurance rebate	18,000	18,000	18,630	630
Interest earnings			22	22
Total revenues	<u>56,400</u>	<u>56,400</u>	<u>61,164</u>	<u>4,764</u>
EXPENDITURES				
Public safety - fire protection:				
Personal services			171	(171)
Operating services	30,900	30,900	29,765	1,135
Materials and supplies	9,500	9,500	14,393	(4,893)
Travel and other	1,500	1,500	1,753	(253)
Capital outlay			2,500	(2,500)
Total expenditures	<u>41,900</u>	<u>41,900</u>	<u>48,582</u>	<u>(6,682)</u>
NET CHANGE IN FUND BALANCE	14,500	14,500	12,582	(1,918)
FUND BALANCE AT BEGINNING OF YEAR	<u>NONE</u>	<u>NONE</u>	<u>37,958</u>	<u>37,958</u>
FUND BALANCE AT END OF YEAR	<u>\$14,500</u>	<u>\$14,500</u>	<u>\$50,540</u>	<u>\$36,040</u>

There were no budget amendments during the year ended December 31, 2017.

See accountant's compilation report.

SUPPLEMENTAL INFORMATION SCHEDULE

See accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE
As of and For the Year Ended December 31, 2017

**SCHEDULE OF COMPENSATION, BENEFITS
AND OTHER PAYMENTS TO AGENCY HEAD
AND BOARD OF COMMISSIONERS**

The Schedule of Compensation, Benefits and Other Payments to Agency Head and Board of Commissioners is presented in compliance with Act 706 of the 2017 Session and House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Caldwell Parish Fire Protection Board, District No. 1 board of commissioners are entitled to \$30 per meeting attended but the commissioners elected not to receive pay for all meetings attended during 2017.

SCHEDULE OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 2.

See accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD AND
BOARD OF COMMISSIONERS

For the Year Ended December 31, 2017

BOARD COMPENSATION:

Agency Head - Kenny Dannehl - President - Training	\$150
Randy Duchesne	NONE
Tony Childress	NONE
James Carroll	NONE
A.B. Masters	<u>NONE</u>
Total	<u>\$150</u>

See accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2017

<u>Reference Number</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Status of Finding</u>
2016-1	2013	Noncompliance with IRS Regulations	Resolved.

See accountant's compilation report.

CALDWELL PARISH FIRE PROTECTION BOARD,
DISTRICT NO. 1
Columbia, Louisiana

CURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2017

2017-001 Noncompliance with Local Government Budget Act

Criteria: The Local Government Budget Act requires the District to adopt a budget amendment when actual expenditures exceed budgeted expenditures by 5% or more. The Local Government Budget Act also requires that the District adopt its budget in an open meeting before the end of the prior fiscal year.

Condition: Actual expenditures exceeded budgeted expenditures by \$6,682 or (16%). The 2017 budget was approved on January 15, 2018.

Cause: The District failed to amend its budget and failed to adopt the 2017 budget prior to January 1, 2017.

Effect: Noncompliance with the Local Government Budget Act.

Recommendation: The Board of Commissioners should adopt a budget amendment in an open meeting whenever actual expenditures exceed budgeted expenditures by 5% or more. The Board of Commissioners should adopt its 2019 budget prior to January 1, 2019.

Management's Response: Management of the District will notify the Board of Commissioners whenever actual expenditures exceed budgeted expenditures and the Board of Commissioners will adopt a budget amendment. The Board of Commissioners will adopt its 2019 budget prior to January 1, 2019.