

FOREST FIRE DISTRICT

Forest, Louisiana

Financial Report (Compiled)

December 31, 2019

Forest Fire District
Forest, Louisiana

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ACCOUNTANT'S COMPILATION REPORT

Board of Directors Forest Fire District Forest, Louisiana

Management is responsible for the accompanying financial statements of Forest Fire District (the District), (a component unit of West Carroll Parish Police Department), which comprise the balance sheet as of December 31, 2019, and the related statements of revenues, expenditures, changes in fund balance (GAAP basis), and the actual and related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents in accordance with accounting principles generally accepted in the United States of America. We 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. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we 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 the agency head, political subdivision head, or chief executive officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we 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 following supplementary information on page 7 be presented to supplement the basic financial statements:

- Budgetary Comparison Schedule

Such information is presented for purposes of additional analysis and, although not a required 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. This information is the representation of management. We have not performed an audit, review or compilation on the

**Board of Directors
Forest Fire District
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required supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical content.

Woodard & Associates

(A Professional Accounting Corporation)
Monroe, Louisiana

January 20, 2021

FOREST FIRE DISTRICT
 Forest, Louisiana
Governmental Fund-Balance Sheet (FFS) /
Governmental Activities-Statement of Net Position (GWFS)
 December 31, 2019

	Balance Sheet		Statement of Net
	Major Fund		
	General Fund	Adjustments	Position
Assets			
Cash in Bank	\$ 38,920	\$ -	\$ 38,920
Investments	311,135	-	311,135
Land		2,000	2,000
Capital assets, net of depreciation	-	92,275	92,275
Total assets	\$ 350,055	\$ 94,275	\$ 444,330
Liabilities	\$ -	\$ -	\$ -
Fund balance / net position			
Fund balance			
Unassigned	\$ 350,055	(350,055)	\$ -
Total fund balance	\$ 350,055	(350,055)	\$ -
Total liabilities and fund balance	\$ 350,055		
Net position			
Net investment in capital assets		94,275	\$ 94,275
Unrestricted		350,055	350,055
Total net position		\$ 94,275	\$ 444,330

See Accountant's Compilation report

FOREST FIRE DISTRICT

Forest, Louisiana

**Reconciliation of the Governmental Fund-Balance Sheet (FFS)
to the Governmental Activities-Statement of Net Position (GWFS)**

December 31, 2019

Fund Balance \$ 350,055

Amounts reported for governmental activities in the Statement of
Net Position are different because

The cost of capital assets purchased is reported as an expenditure in the Governmental Funds. The Statement of Net Position includes those capital assets among the assets of the Foundation as a whole. The cost of those capital assets will be allocated over their estimated useful lives (as depreciation expense) to Health and Welfare as reported as Governmental Activities in the Statement of Activities.

Property and equipment	\$ 1,044,937	
Accumulated depreciation	<u>(950,662)</u>	<u>94,275</u>

Net Position \$ 444,330

See Account's Compilation report

FOREST FIRE DISTRICT

Forest, Louisiana

**Governmental Fund-Statement of Revenues, Expenditures and Changes in Fund Balance (FFS)
Governmental Activities-Statement of Activities (GWFS)**

For the Year Ended December 31, 2019

	Statement of Revenues, Expenditures and Changes in Fund Balance			Statement of Activities	
	Major Fund			Adjustments	
	General Fund			Adjustments	
Revenues					
General revenues					
Sales tax	\$	72,792	\$	-	\$ 72,792
Insurance rebate		4,678		-	4,678
Miscellaneous		1,698		-	1,698
Interest income		55		-	55
		79,223		-	79,223
Expenditures / expenses					
Current					
Public Safety					
Administration fees		5,443		-	5,443
Capital outlays		2,928		(2,928)	-
Depreciation				59,432	59,432
Fuel		658		-	658
Insurance		13,156		-	13,156
Mowing		2,010		-	2,010
Office		1,606		-	1,606
Supplies		1,928		-	1,928
Training		1,526		-	1,526
Truck Equipment Repairs		19,504		-	19,504
Utilities		1,901		-	1,901
Total Public Safety		50,660		56,504	107,164
Total expenditures / expenses		50,660		56,504	107,164
Excess (deficiency) of revenues over expenditures / expenses		28,563		(56,504)	(27,941)
Fund balance/net position at beginning of year (Restated)		321,492		150,779	472,271
Fund balance/net position at end of year	\$	350,055	\$	94,275	\$ 444,330

See Accountant's Compilation report

FOREST FIRE DISTRICT

Forest, Louisiana

**Reconciliation of the Governmental Fund-Statement of Revenues, Expenditures
and Changes in Fund Balance (FFS) to Governmental Activities -
Statement of Activities (GWFS)**

For the Year Ended December 31, 2019

Change in fund balance	\$	28,563
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in the Governmental Funds as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense.

Capital outlays		2,928
Depreciation		<u>(59,432)</u>
Change in net position	\$	<u><u>(27,941)</u></u>

See Accountant's Compilation report

FOREST FIRE DISTRICT

Forest, Louisiana

**Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual**

Governmental Fund-General Fund

For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Budgetary fund balance, beginning of year	\$ 227,384	\$ 321,492	\$ 94,108
Resources			
General revenues			
Sales tax	72,792	72,792	-
Insurance rebate	4,600	4,678	78
Miscellaneous	7,841	1,698	(6,143)
Interest income	48	55	7
Total resources	<u>85,281</u>	<u>79,223</u>	<u>(6,058)</u>
Charges to appropriations			
Current			
Public Safety			
Administration fees	5,500	5,443	57
Capital Outlay	-	2,928	(2,928)
Depreciation	600	-	600
Fuel	2,000	658	1,342
Insurance	2,800	13,156	(10,356)
Mowing	2,500	2,010	490
Office	15,000	1,606	13,394
Supplies	13,000	1,928	11,072
Training	1,500	1,526	(26)
Truck Equipment Repairs	10,500	19,504	(9,004)
Utilities	-	1,901	(1,901)
Total expenditures / expenses	<u>53,400</u>	<u>50,660</u>	<u>(7,924)</u>
Excess (deficiency) of revenues over expenditures	<u>31,881</u>	<u>28,563</u>	<u>(3,318)</u>
Fund balance at end of year	\$ <u>259,265</u>	\$ <u>350,055</u>	\$ <u>90,790</u>

See Accountant's Compilation report

FOREST FIRE DISTRICT

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Schedule of Compensation, Benefits and Other Payments

to Chief Executive Officer

For the Year Ended December 31, 2019

Vendal Fairchild

President

Please Note: No compensation of any kind is paid to any agency head, chief executive, board member or anyone else. This is strictly a VOLUNTEER Fire District.

See Accountant's Compilation report

FOREST FIRE DISTRICT

Forest, Louisiana

Schedule of Findings and Questioned Costs

For the year ended December 31, 2019

2019-001 Internal Controls

Criteria or Specific Requirement

According to the Committee of Sponsoring Organizations of the Treadway Commission Report (COSO), internal controls should be designed and operating to allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. Internal controls should be designed to require adequate segregation of duties over accounting functions.

Conditions Found

All accounting functions are managed by one individual who comprised the entire staff of the District.

Cause

Internal controls were not adequately designed and operating regarding the segregation of duties of accounting functions. One person handles all accounting duties.

Effect

The District's internal control environment could be weakened thus increasing the risk of a material misstatement in the financial statements, as well as the susceptibility to potential fraud. However, risk is mitigated, and internal controls are strengthened by the continuing oversight of the board.

Recommendations to Prevent Future Occurrences

The District should hire more employees and redistribute duties.

Management's Response

This would be impractical and cannot be remedied due to lack of funds.

2019-002 Local Government Budget Act

Criteria or Specific Requirement

Per the Louisiana Local Government Budget Act encompassing Louisiana Revised Statutes 39:1305 – 1315, local governments are required to revise their budgets in the event that actual revenue and / or expenditures negatively surpass the budgeted amounts.

Conditions Found

For the year ended December 31, 2019, actual revenues fell short of budgeted by 8%. Actual amount of 79,223 was short of the budgeted amount of 85,281 by 6,058.

Cause

Internal controls were not adequately designed and operating regarding the monitoring of financial information as compared to budgeted.

FOREST FIRE DISTRICT

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Schedule of Findings and Questioned Costs

For the year ended December 31, 2019

Effect

The District's was not in compliance with laws.

Recommendations to Prevent Future Occurrences

The District should monitor actual financials with budgeted amounts during the fiscal year.

Management's Response

This would be impractical and cannot be remedied due to lack of funds.

