

**FOREST FIRE DISTRICT**

Forest, Louisiana

**Financial Report (Compiled)**

December 31, 2019

**Forest Fire District**  
Forest, Louisiana

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Keeping you on course!

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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  
Forest, Louisiana  
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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

	<b>Balance Sheet</b>		<b>Statement of Net</b>
	<b>Major Fund</b>		
	<b>General Fund</b>	<b>Adjustments</b>	<b>Position</b>
<b>Assets</b>			
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
<b>Total assets</b>	<b>\$ 350,055</b>	<b>\$ 94,275</b>	<b>\$ 444,330</b>
<b>Liabilities</b>	\$ -	\$ -	\$ -
<b>Fund balance / net position</b>			
Fund balance			
Unassigned	\$ 350,055	(350,055)	\$ -
<b>Total fund balance</b>	<b>\$ 350,055</b>	<b>(350,055)</b>	<b>\$ -</b>
<b>Total liabilities and fund balance</b>	<b>\$ 350,055</b>		
Net position			
Net investment in capital assets		94,275	\$ 94,275
Unrestricted		350,055	350,055
<b>Total net position</b>		<b>\$ 94,275</b>	<b>\$ 444,330</b>

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

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**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

	<b>Statement of Revenues, Expenditures and Changes in Fund Balance</b>			<b>Adjustments</b>	<b>Statement of Activities</b>
	<b>Major Fund</b>				
	<b>General Fund</b>				
<b>Revenues</b>					
General revenues					
Sales tax	\$	72,792	\$	-	\$ 72,792
Insurance rebate		4,678		-	4,678
Miscellaneous		1,698		-	1,698
Interest income		55		-	55
		<u>79,223</u>		<u>-</u>	<u>79,223</u>
<b>Expenditures / expenses</b>					
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		<u>50,660</u>		<u>56,504</u>	<u>107,164</u>
Total expenditures / expenses		<u>50,660</u>		<u>56,504</u>	<u>107,164</u>
Excess (deficiency) of revenues over expenditures / expenses		28,563		(56,504)	(27,941)
Fund balance/net position at beginning of year (Restated)		<u>321,492</u>		<u>150,779</u>	<u>472,271</u>
<b>Fund balance/net position at end of year</b>	<b>\$</b>	<b><u>350,055</u></b>	<b>\$</b>	<b><u>94,275</u></b>	<b>\$ <u>444,330</u></b>

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>
<b>Budgetary fund balance, beginning of year</b>	\$ 227,384	\$ 321,492	\$ 94,108
<b>Resources</b>			
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>
<b>Charges to appropriations</b>			
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>
<b>Fund balance at end of year</b>	<u>\$ 259,265</u>	<u>\$ 350,055</u>	<u>\$ 90,790</u>

See Accountant's Compilation report

**FOREST FIRE DISTRICT**  
Forest, Louisiana

**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**

Forest, Louisiana

**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.

**FOREST FIRE DISTRICT**

Forest , Louisiana

**Status of Prior Year Findings**

For the Year Ended December 31, 2018

The following is a summary of the status of the prior year finding included with the Jimmie Self, CPA (APAC) compilation report dated May 15, 2019 covering the compilation engagement of the financial statements of the Forest Fire District (the District) as of and for the year ended December 31, 2018.

**2018-001**

**Criteria or Specific Requirement**

Duties should be distributed among employees.

**Conditions Found**

Inadequate segregation of duties

**Status**

Implementation would be impractical and cannot be remedied due to lack of funds. Refer to Finding 2019-001.