

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

FINANCIAL REPORT
(Compiled)

December 31, 2019

HILL, INZINA & COMPANY

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HILL, INZINA & COMPANY

ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Eighth Ward Fire Protection District No. 1
of Morehouse Parish, Louisiana
Collinston, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and each major fund of Eighth Ward Fire Protection District No. 1 of Morehouse Parish, Louisiana (the "District") (a component unit of Morehouse Parish), as of and for the year ended December 31, 2019, 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.

The District's management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. 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 (GASB) 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 context. This information is the responsibility of management. This information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management of the District has omitted the management's discussion and analysis that the GASB requires 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 GASB 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 context.

We are not independent with respect to the District.

/s/ Hill, Inzina & Co.

March 19, 2020

BASIC FINANCIAL STATEMENTS

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES - GENERAL FUND
December 31, 2019

ASSETS

Cash	\$ 77,928
Ad valorem taxes receivable	60,981
Capital assets:	
Land	2,787
Other capital assets, net of depreciation	<u>166,674</u>
Total assets	<u>\$ 308,370</u>

DEFERRED INFLOWS OF RESOURCES

Property taxes	<u>\$ 60,981</u>
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NET POSITION

Net investment in capital assets	\$ 169,461
Unrestricted	<u>77,928</u>
Total net position	<u><u>\$ 247,389</u></u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES - GENERAL FUND
As of and for the Year Ended December 31, 2019

Expenses:	
Governmental activities:	
Public safety:	
Depreciation	\$ 36,203
Insurance	8,226
Contract labor	3,290
Legal and accounting	1,850
Maintenance and repairs	2,758
Pension cost	1,887
Supplies	323
Utilities	5,091
Debt service:	
Interest	<u>2,709</u>
Total expenses	<u>\$ 62,337</u>
Program revenues:	
Operating contributions	<u>\$ 1,332</u>
General revenues:	
Ad valorem taxes	\$ 65,131
Intergovernmental	3,639
Interest and miscellaneous	<u>231</u>
Total general revenues	<u>\$ 69,001</u>
Change in net position	\$ 7,996
Net position - beginning	<u>239,393</u>
Net position - ending	<u><u>\$ 247,389</u></u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUND - GENERAL FUND
December 31, 2019

ASSETS

Cash	\$	77,928
Ad valorem taxes receivable		<u>60,981</u>
Total assets	\$	<u>138,909</u>

DEFERRED INFLOWS OF RESOURCES

Property taxes	\$	60,981
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FUND BALANCE

Unassigned		<u>77,928</u>
Total deferred inflows of resources and fund balance	\$	<u>138,909</u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND - GENERAL FUND
As of and for the Year Ended December 31, 2019

Revenues:	
Ad valorem taxes	\$ 65,131
Intergovernmental	4,971
Interest and miscellaneous	231
Total revenues	<u>\$ 70,333</u>
Expenditures:	
Current:	
Public safety:	
Insurance	\$ 8,226
Contract labor	3,290
Legal and accounting	1,850
Maintenance and repairs	2,758
Pension cost	1,887
Supplies	323
Utilities	5,091
Capital outlay	2,665
Debt service	64,680
Total expenditures	<u>\$ 90,770</u>
Net change in fund balance	\$(20,437)
Fund balance - beginning	<u>98,365</u>
Fund balance - ending	<u><u>\$ 77,928</u></u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION

December 31, 2019

Total fund balance - governmental fund balance sheet	\$ 77,925
Amounts reported for governmental activities in statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>169,461</u>
Total net position of governmental activities - government-wide statement of net position	<u>\$ 247,389</u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
December 31, 2019

Net change in fund balance - governmental fund	\$(20,437)
Amounts reported for governmental activities in statement of activities 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 (\$36,203) exceeded capital outlay (\$2,665) in the current period.	(33,538)
Governmental funds report principal on long-term debt obligations as expenses when actually paid. However, in the statement of activities, principal payments are reported as reductions of the related debt. This is the amount related to this reporting difference.	<u>61,971</u>
Change in net position of governmental activities - government-wide statement of activities	<u>\$ 7,996</u>

See accountant's compilation report.

REQUIRED SUPPLEMENTARY INFORMATION

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GOVERNMENTAL FUND - GENERAL FUND
As of and for the Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget - Favorable <u>(Unfavorable)</u>
Revenues:				
Ad valorem taxes	\$ 57,583	\$ 57,583	\$ 65,131	\$ 7,548
Intergovernmental	9,370	9,370	4,971	(4,399)
Interest and miscellaneous	<u>257</u>	<u>257</u>	<u>231</u>	<u>(26)</u>
Total revenues	<u>\$ 67,210</u>	<u>\$ 67,210</u>	<u>\$ 70,333</u>	<u>\$ 3,123</u>
Expenditures:				
Current:				
Public safety:				
Contract labor	\$ 2,880	\$ 2,880	\$ 3,290	\$(410)
Insurance	8,186	8,186	8,226	(40)
Legal and accounting	2,950	2,950	1,850	1,100
Maintenance and repairs	14,395	14,395	2,758	11,637
Pension cost	-	-	1,887	(1,887)
Supplies	298	298	323	25
Utilities	3,893	3,893	5,091	(1,198)
Capital outlay	2,092	2,092	2,665	(573)
Debt service	<u>22,073</u>	<u>22,073</u>	<u>64,680</u>	<u>(42,607)</u>
Total expenditures	<u>\$ 56,767</u>	<u>\$ 56,767</u>	<u>\$ 90,770</u>	<u>\$(34,003)</u>
Net changes in fund balances	\$ 10,443	\$ 10,443	\$(20,437)	\$(30,880)
Fund balances - beginning (non-GAAP and GAAP budgetary basis				
	<u>-</u>	<u>-</u>	<u>98,365</u>	<u>98,365</u>
Fund balances - ending	<u>\$ 10,443</u>	<u>\$ 10,443</u>	<u>\$ 77,928</u>	<u>\$ 67,485</u>

See accountant's compilation report.

OTHER SUPPLEMENTARY INFORMATION

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS,
AND OTHER PAYMENTS TO AGENCY HEAD
As of and For the Year Ended December 31, 2019

The District paid no compensation, reimbursements, or benefits to an agency head during the year ended December 31, 2019.

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

SUMMARY SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended December 31, 2019

Section I - Compilation

2019-1 Noncompliance with Local Government Budget Act

All action necessary to finalize and adopt the budget for the 2019 fiscal year was not completed prior to the end of the 2018 fiscal year.

The budget was not presented in the side-by-side detailed comparison as required.

Final actual expenditures totaling \$90,770 exceeded budgeted expenditures of \$56,767 by \$34,003 or 59.9%.

Management concurs with the finding and will take action in the future to approve and adopt the budget for the next year before the end of the current year.

Also, the budget will be closely monitored to make amendments when necessary.

Unresolved.

Section II - Management Letter

None issued.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2019

Section I - Compilation

2018-1 Noncompliance with Local Government Budget Act

All action necessary to amend and otherwise finalize the budget for the 2017 fiscal year was not completed prior to the end of the 2017 fiscal year.

The budget was not presented in the side-by-side detailed comparison as required.

Unresolved - 2019-1.

2018-2 Violation of State Statutes

Pursuant to Louisiana Revised Statutes 24:513 and 24:514, all annual reports must be completed and submitted to the Legislative Auditor within six months of the close of the District's fiscal year.

The District's annual report for the fiscal year ended December 31, 2018 was not submitted to the Legislative Auditor within six months of the end of the fiscal year.

The financial records of the District were not provided to the accounting firm to compile the financial statements until well after the six month deadline.

Resolved.

Section II - Management Letter

None issued.