

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**Marksville, Louisiana**

**Financial Statements**  
**For the Year Ended December 31, 2018**

**Ducote & Company**  
**Certified Public Accountants**  
**P. O. Box 309**  
**219 North Washington Street**  
**Marksville, LA 71351**

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**

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**INDEPENDENT ACCOUNTANTS' COMPILATION REPORT**

Board of Directors  
Fifth Ward Volunteer Fire Department, Inc.  
Marksville, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities of the Fifth Ward Volunteer Fire Department, Inc. (a nonprofit organization), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Fifth Ward Volunteer Fire Department'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 AICPA. 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:

Management has omitted management's discussion and analysis that accounting principles accepted in the United States of America required to 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.

The supplemental information contained in the schedule of compensation, benefits and other payments to agency head or chief executive officer appearing on page 20 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express and opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to the Fifth Ward Volunteer Fire Department, Inc.

***Ducote & Company***  
Certified Public Accountants  
Marksville, Louisiana  
June 21, 2019

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
STATEMENT OF NET POSITION  
DECEMBER 31, 2018**

	<b>Governmental Funds All Funds</b>
<b><u>ASSETS</u></b>	
Cash and cash equivalents	\$82,915
Accounts receivable	17,578
Property, plant and equipment: (net of accum depr)	452,832
<b>TOTAL ASSETS</b>	<b>553,326</b>
<b><u>LIABILITIES</u></b>	
Accounts Payable	1,020
Loan payable due in one year	19,302
Non-current liabilities: Loans payable	160,427
<b>TOTAL LIABILITIES</b>	<b>180,750</b>
<b><u>NET POSITION</u></b>	
Investment in capital assets	273,103
Restricted for fire protection services	99,473
<b>TOTAL NET POSITION</b>	<b>\$372,577</b>

See accompanying notes and accountants' compilation report.

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2018**

	Expenses	Program Operating Grants	Revenues Capital Grants	Net (Expenses) Revenues
<b>FUNCTIONS/PROGRAMS</b>				
<u>Governmental Activities</u>				
Public Safety:				
Repairs and maintenance	\$7,670	\$0	\$0	\$(7,670)
Parts and supplies	7,273	1,080	0	(6,193)
Insurance	14,747	0	0	(14,747)
Miscellaneous expense	18,786	0	0	(18,786)
Fuel expense	1,839	0	0	(1,839)
Utilities	2,279	0	0	(2,279)
Office expense	1,335	0	0	(1,335)
Interest expense	8,512	0	0	(8,512)
Depreciation expense	56,151	0	0	(56,151)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$118,592</b>	<b>\$1,080</b>	<b>\$0</b>	<b>(117,512)</b>
General Revenues:				
Property taxes, levied for maintenance and operations				94,233
2% Fire insurance rebate				10,814
Interest earnings				99
Miscellaneous revenues				8,038
Total general revenues				113,184
Change in net assets				(4,329)
Net position - beginning of year				376,906
Net position - end of year				\$372,577

See accompanying notes and accountants' compilation report.

**FUND FINANCIAL STATEMENTS**

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
 COMBINING BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 DECEMBER 31, 2018**

	<b>Volunteer Fire Department Fund</b>	<b>Fire Department Tax Fund</b>	<b>Totals Governmental Funds</b>
	<hr/>	<hr/>	<hr/>
<b><u>ASSETS AND OTHER DEBITS</u></b>			
Cash and cash equivalents	\$47,882	\$35,033	\$82,915
Accounts receivable	17,578	0	17,578
	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>\$65,460</b>	<b>\$35,033</b>	<b>\$100,493</b>
	<hr/>	<hr/>	<hr/>
<b><u>LIABILITIES AND FUND EQUITY</u></b>			
Liabilities			
Accounts Payable	\$1,020	\$0	\$1,020
	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>	<b>1,020</b>	<b>0</b>	<b>1,020</b>
	<hr/>	<hr/>	<hr/>
Fund Equity:			
Restricted for fire protection	64,440	35,033	99,473
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUND EQUITY</b>	<b>64,440</b>	<b>35,033</b>	<b>99,473</b>
	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$65,460</b>	<b>\$35,033</b>	<b>\$100,493</b>
	<hr/>	<hr/>	<hr/>

See accompanying notes and accountants' compilation report.

**Fifth Ward Volunteer Department, Inc.  
 Reconciliation of the Governmental Fund Balance Sheet  
 to the Statement of Net Position  
 For the Year Ended December 31, 2018**

Total Governmental Fund Balances	\$99,473
<p>Amounts reported for governmental activities in the statement of net position that are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$1,252,352 and the accumulated depreciation is \$799,520.</p>	452,832
<p>Long-term liabilities not payable in the current period are not reported as liabilities in governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities at year end consist of:</p>	
Notes payable	<u>(179,730)</u>
 Total Net Position of Governmental Activities at December 31, 2018	 <u><u>\$372,577</u></u>

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 YEAR ENDED DECEMBER 31, 2018**

	Volunteer Fire Department Fund	Fire Department Tax Fund	Total Governmental Funds
<b>REVENUES</b>			
Taxes:			
Ad Valorem	\$0	\$94,233	\$94,233
Intergovernmental:			
2% Fire insurance rebate	10,814	0	10,814
Appropriation from police jury	1,080	0	1,080
Miscellaneous:			
Donations and fundraisers	4,018	4,020	8,038
Interest Income	99	0	99
<b>TOTAL REVENUES</b>	<b>16,011</b>	<b>98,253</b>	<b>114,264</b>
<b>EXPENDITURES</b>			
Public Safety:			
Repairs and maintenance	7,244	427	7,670
Parts and supplies	6,901	372	7,273
Fire prevention	420	0	420
Insurance	14,441	306	14,747
Miscellaneous	0	7,991	7,991
Fuel expense	1,701	138	1,839
Utilities	2,279	765	3,044
Training and education	1,035	7,116	8,152
Meetings and dues	0	1,133	1,133
Uniform	324	0	324
Office supplies	828	507	1,335
Capital Outlay	41,685	0	41,685
Debt service	27,020	0	27,020
<b>TOTAL EXPENDITURES</b>	<b>103,879</b>	<b>18,755</b>	<b>122,634</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(87,868)</b>	<b>79,498</b>	<b>(8,370)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(87,868)</b>	<b>79,498</b>	<b>(8,370)</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b>152,308</b>	<b>(44,465)</b>	<b>107,843</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$64,440</b>	<b>\$35,033</b>	<b>\$99,473</b>

See accompanying notes and accountants' compilation report.

**Fifth Ward Volunteer Department, Inc.  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of the Governmental Fund to the Statement of Activities  
 For the Year Ended December 31, 2018**

Net change in fund balances - total governmental funds \$(8,370)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital	41,685
Depreciation expense	(56,151)

Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of loan principal is an expenditure in governmental funds, but the repayment reduces the long-term liabilities in the statement of net assets and does not affect the statement of activities. In the current period,

Loan payment	<u>18,508</u>
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Change in net position of governmental activities: \$(4,329)

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**INTRODUCTION**

The Fifth Ward Volunteer Fire Department, Inc. (the Department) was incorporated on March 13, 1985, as a nonprofit corporation as defined in Louisiana Revised Statutes of R.S. 1950 Title 12, Chapter 2, as amended. The Organization operates under a Board of Directors consisting of a President, Vice-President, and a Secretary-Treasurer and is elected on an annual basis. The members of the Fifth Ward Volunteer Fire Department, Inc., vote on all matters brought before the Board. The Fifth Ward Volunteer Fire Department, Inc. serves approximately 1,693 structures and meetings are held quarterly. The following is a summary of certain significant accounting policies.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS**

The Department's basic financial statements include both government-wide (reporting the Department as a whole) and fund financial statements (reporting the Department's major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the Department are classified as governmental.

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the Department.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, which recognizes all long-term assets and receivables as well as long-term debt obligations. Net Position is reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net costs of each of the governmental activities. These functions are supported by general government revenues (ad valorem taxes, intergovernmental revenues). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants including operating-specific and discretionary grants. The government-wide focus is more on the sustainability as an entity and the change in the net assets resulting from the current year's activities.

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**B. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The financial transactions of the Department are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the Department. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. All funds of the Department are governmental funds.

**C. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Avoyelles Parish Police Jury is the financial reporting entity for Avoyelles 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.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units, if any, should be considered part of the financial reporting entity. 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 entity to impose its will on the organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the entity.
2. Organizations for which the department does not appoint a voting majority but are fiscally dependent on the department.
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.

The accompanying financial statements present information only on the funds maintained by the governmental unit, or the other governmental units that comprise the financial reporting entity. There are no component units meeting the above criteria requiring inclusion in the financial reporting entity.

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**D. FUND ACCOUNTING**

The accounts of the Fifth Ward Volunteer Fire Department are organized and operated on a basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds and account groups are grouped in the financial statements in this report in the following categories:

**Governmental Funds-**

**Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**Fixed Assets-**

The accounting and reporting treatment applied to the fixed assets are associated with a fund are determined by its measurement focus. All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are not accounted for as assets in the fund financial statements and are recorded as expenditures when purchased. No depreciation is recorded in the fund financial statements.

**E. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using a current financial resources measurement focus. The modified accrual basis of accounting is used by the governmental financial statements. Revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes are recognized as revenue in the year for which such taxes are billed and collected. Other major revenues that are considered susceptible to accrual include earned grant revenues and other intergovernmental revenues.

Expenditures are generally recognized under the modified accrual basis of accounting when related fund liability is incurred, except the principal and interest on general long-term debt is recognized as expenditure when due.

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**F. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the department may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Department may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**G. RECEIVABLES**

Receivables are the result of unpaid assessed property taxes. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1<sup>st</sup> and are due and payable on or before December 31. All unpaid taxes become delinquent January 2 of the following year. The taxes are assessed by the Avoyelles Parish Assessor's Office and collected by the Avoyelles Parish Sheriff's Office. The taxes are then remitted to the Avoyelles Parish Police Jury on behalf of Fire Protection District No. 2. The Fire Department is one of 14 members in the District. After deducting a fee of \$20,000 to defray the expenses of the Board of Commissioners of the Fire Protection District, each member is guaranteed a base amount of \$25,000. Any remaining funds are distributed to the members on a basis of structures served.

**H. CAPITAL ASSETS**

Capital Assets, which include property, plant, equipment, are reported in the business-type activities of the financial statements. Capital assets are capitalized at historical or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Building and Improvements	15-30 Years
Furniture and Equipment	5-10 Years
Vehicles	10-20

The cost 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.

The net capital asset balance has been presented as a separate component in unrestricted net position.

**I. CONTRIBUTIONS**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amount received that are designated for future periods or restricted by the donor for specific purposes are reported as temporary restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**J. BUDGET PRACTICES**

The department is not required to formally adopt a budget. Therefore, the presentation of a statement of revenues, expenditures, and changes in fund balances budget and actual, for the special revenue funds is not required.

**K. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and related assets are reported in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, or estimated cost, is historical cost is not available.

**L. COMPENSATED ABSENCES**

The Sub-Department has no employees, all services are performed by volunteers and are only compensated for fire call outs with the exception of the Chief, Assistant Chief and the Treasurer who are paid an annual salary. Therefore, the department has no policy relating to compensated absences.

**M. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

**N. INCOME TAX**

The Department is not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**O. USE OF ESTIMATES**

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

**P. RESTRICTED NET POSITION**

In the government wide statement of net position, net position is reported as restricted when constraints are placed on net position that are externally imposed by (1) external groups, such as creditors, grantors, or laws, etc; or (2) law through constitutional provisions or enabling legislation. Restrictions on net position are:

*Investment in capital assets* consist of capital assets including restricted assets, net of accumulated depreciation.

*Restricted for fire protection* - consist of all funds to be used strictly for fire protection services.

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**NOTE 2. CASH AND CASH EQUIVALENTS**

At December 31, 2018, the department has cash and cash equivalents (book balances) as follows:

Demand Deposits	\$ <u>82,915</u>
Total	\$ 82,915

These deposits are stated at cost, which approximates market. *Custodial Credit Risk:* is the risk that in the event of a bank failure, the Department's deposits may not be returned to it. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent institution. The department had no custodial credit risk at December 31, 2018.

At December 31, 2018, the Department has \$82,950 in deposits (collected bank balances):

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$82,950
Collateralized:	
Collateral held by pledging the Department's trust department not in the Departments's name	0
Uninsured and uncollateralized	0
	<u>\$82,950</u>

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement 3, LA R.S. 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 Department that the fiscal agent has failed to pay deposited funds upon demand. The funds on deposit shall be collateralized an amount at all times equal to 100% by pledged "approved securities" as specified by LA R.S. 39:1225, as amended, to protect the funds of the Department. The Department does not have a formal written policy for custodial credit risk.

**NOTE 3. ACCOUNTS RECEIVABLE**

The billed receivable balance at December 31, 2018 of \$17,578 consisted of property taxes due from the Fire Protection District No. 2 of \$17,308 and \$270 from the Avoyelles Parish Police Jury.

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**NOTE 4. CAPITAL ASSETS**

A summary of changes in general fixed assets for 2018 as follows:

	<u>Balance 12/31/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2018</u>
Land	\$12,000	\$0	\$0	\$12,000
Building & Improvements	202,541	13,797	0	216,338
Equipment	996,126	27,888	0	1,024,014
 Total Capital Assets	 1,210,667	 41,685	 0	 1,252,352
Less Accum Depr	(743,369)	(\$56,151)	\$0	(799,520)
 Net Capital Assets	 <u>\$467,298</u>			 <u>\$452,832</u>

**NOTE 5. LONG-TERM NOTES PAYABLE**

Government Capital

By resolution of the Board, the Fifth Ward Volunteer Fire Department authorized the incurrence of indebtedness in the principal amount of \$215,983 for the purpose of purchasing a fire truck and equipment. On November 30, 2016, The Board of Directors entered into a security agreement with Government Capital to borrow \$215,983 at an interest rate of 4.294% payable over ten years. At December 31, 2018 the department had an outstanding principal balance of \$179,729. Future debt service requirements are as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$19,302	\$7,718	\$27,020
2020	20,131	6,889	27,020
2021	20,996	6,024	27,020
2022	21,897	5,123	27,020
2023	22,837	4,183	27,020
2024-2026	74,566	6,494	81,060
Totals	<u>\$179,729</u>	<u>\$36,431</u>	<u>\$216,160</u>

A summary of changes in long-term debt for the year ended December 31, 2018:

<u>Description</u>	<u>Balance 12/31/2017</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 12/31/2018</u>
N/P - Government Capital	\$198,237	\$0	\$18,508	\$179,729

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2018**

**NOTE 6. RESTATEMENT OF NET POSITION**

The beginning balance of net position has been restated to account for an adjustment for receivables that had not been reversed in a prior year. The result of this restatement as of January 1, 2018 is as follows:

Beginning Net Position as of January 1, 2018	\$465,754
Reversal of prior year receivable	<u>(88,848)</u>
Beginning Net Position restated as of January 1, 2018	<u>\$376,906</u>

**NOTE 7. LITIGATION AND CONTINGENCIES**

At December 31, 2018, the Fifth Ward Volunteer Fire Department of the Parish of Avoyelles was not involved in any litigation that would materially affect the financial statements.

**NOTE 8. SUBSEQUENT EVENTS**

Subsequent events were evaluated through June 21, 2019, which is the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2018, that required recognition or disclosure in the financial statements.

## **SUPPLEMENTARY INFORMATION**

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
Marksville, Louisiana**

**SCHEDULE OF COMPENSATION, BENEFITS, AND  
OTHER PAYMENTS TO AGENCY HEAD OF CHIEF EXECUTIVE OFFICER**

**For the Year Ended December 31, 2018**

**Name of Agency Head: Guy Millazo, Fire Chief**

<u>Purpose</u>	<u>Amount</u>
Salary	\$1,200
Fire Call Outs	\$465
Benefits - Insurance	0
Benefits - Retirement	0
Car allowance	0
Vehicle provided by agency	0
Reimbursements	0
Travel	0
Registration fees	403
Conference travel	447
Dues	250
Special meals	0
Total of Compensation, Benefits and Other Payments	<u><u>\$2,765</u></u>

**FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.**

**Schedule of Current and Prior Year Findings and Responses  
For the Year Ended December 31, 2018**

**Prior Year**

**Compliance**

2017-1 -Late filing of compiled financial statements with the Legislative Auditor of the State of Louisiana

**Status of finding 2017-1 -**

Although the 2017 report has been submitted, it has not been released by the Legislative Auditor's Office as of the date of filing the 2018 report.

**Corrective action planned**

The 2018 report has been submitted timely. The Department plans to submit all future reports in a timely manner.

**Current Year**

There are no current year findings for the year ended December 31, 2018.