

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE  
TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2021  
AND FOR THE YEAR THEN ENDED

WITH  
INDEPENDENT AUDITOR'S REPORT



**SILAS SIMMONS** LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS



FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT-----		1-3
<b>SECTION I - REQUIRED SUPPLEMENTARY INFORMATION:</b>		
Management's Discussion and Analysis-----		4-7
<b>SECTION II - BASIC FINANCIAL STATEMENTS:</b>		
Government-Wide Financial Statements		
Statement of Net Position-----	A	8
Statement of Activities-----	B	9
Fund Financial Statements		
Governmental Funds		
Balance Sheet-----	C	10
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position-----	D	11
Statement of Revenues, Expenditures, and Changes in Fund Balances-----	E	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities-----	F	13
NOTES TO FINANCIAL STATEMENTS-----		14-25
<b>SECTION III - ADDITIONAL REQUIRED SUPPLEMENTARY INFORMATION:</b>		
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Basis - General Fund-----		26
Notes to the Required Supplementary Information-----		27
Schedule of the District's Proportionate Share of the Net Pension Liability-----		28
Schedule of the District's Contributions-----		29

**FIRE PROTECTION DISTRICT NO. 1  
 OF TENSAS PARISH, LOUISIANA  
 (A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
 ST. JOSEPH, LOUISIANA**

**TABLE OF CONTENTS**

	<b>Statement</b>	<b>Page</b>
<b>SECTION IV - OTHER SUPPLEMENTARY INFORMATION:</b>		
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer -----		30
Schedule of Insurance Coverage -----		31
Schedule of Compensation of the Governing Board -----		32
<b>SECTION V - REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE:</b>		
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> -----		33-34
Schedule of Findings-----		35
Status of Prior Year Findings-----		36
Status of Current Year Findings, Recommendations, and Corrective Action Plan -----		37



**SILAS SIMMONS** LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

209 N. Commerce St.  
Natchez, MS 39120  
P. O. Box 1027  
Natchez, MS 39121  
Tel: 601-442-7411  
Fax: 601-442-8551

2120 Forsythe Ave.  
Monroe, LA 71201  
P. O. Box 4550  
Monroe, LA 71211  
Tel: 318-323-4481  
Fax: 318-323-2188

[www.silassimmons.com](http://www.silassimmons.com)

## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners  
Fire Protection District No. 1 of Tensas Parish, Louisiana  
St. Joseph, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Fire Protection District No. 1 of Tensas Parish, Louisiana (the District), a component unit of the Tensas Parish Police Jury, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of December 31, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 7 and the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of the Net Pension Liability, and the Schedule of the District's Contributions on pages 26 through 29 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Insurance Coverage; the Schedule of Compensation of the Governing Board; and the Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer, described in the accompanying table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Insurance Coverage; the Schedule of Compensation of the Governing Board; and the Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Insurance Coverage; the Schedule of Compensation of the Governing Board; and the Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in cursive script that reads "Silas Simms, CPA".

Natchez, Mississippi  
May 31, 2022

SECTION I  
REQUIRED SUPPLEMENTARY INFORMATION



**FIRE PROTECTION DISTRICT NO. 1 OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

Our discussion and analysis of Fire Protection District No. 1 of Tensas Parish, Louisiana's (the District) financial performance provides an overview of the District's financial activities for the year ended December 31, 2021.

The District's main fire station is located on Plank Road in St. Joseph, Louisiana. The District provides fire protection for all of Tensas Parish, Louisiana, with fire stations located in ten locations. The District operates primarily with volunteers and three full-time employees.

**FINANCIAL HIGHLIGHTS**

- General revenues were \$587,526 in 2021, compared to \$556,071 in 2020.
- General expenditures were \$563,070 in 2021, compared to \$511,951 in 2020.

**OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year.

The government-wide financial statements outline functions of the District that are principally supported by property taxes and sales taxes. Fixed assets and related debt are also supported by taxes and intergovernmental revenues.

The government-wide financial statements can be found on pages 8 through 9 of this report.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The governmental fund financial statements can be found on pages 10 through 13 of this report.

**Notes to Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14 through 25 of this report.

FIRE PROTECTION DISTRICT NO. 1 OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the net position at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 479,128	\$ 481,687
Capital assets	<u>564,013</u>	<u>613,390</u>
Total assets	<u>\$ 1,043,141</u>	<u>\$ 1,095,077</u>
Deferred outflow of resources	<u>\$ 164,203</u>	<u>\$ 126,124</u>
Current liabilities	\$ 201,478	\$ 131,586
Long-term liabilities	<u>481,821</u>	<u>744,293</u>
Total liabilities	<u>\$ 683,299</u>	<u>\$ 875,879</u>
Deferred inflow of resources	<u>\$ 192,563</u>	<u>\$ 38,296</u>
Net position		
Investment in capital assets (net of related debt)	\$ 298,394	\$ 320,651
Unrestricted	<u>33,088</u>	<u>(13,625)</u>
Total net position	<u>\$ 331,482</u>	<u>\$ 307,026</u>

The following is a summary of the statement of activities for 2021 and 2020:

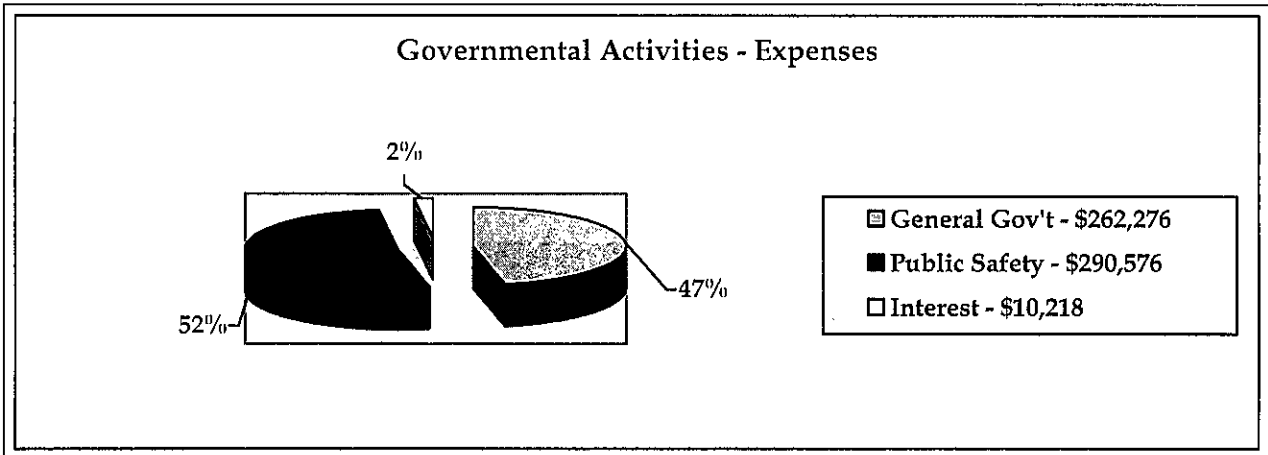
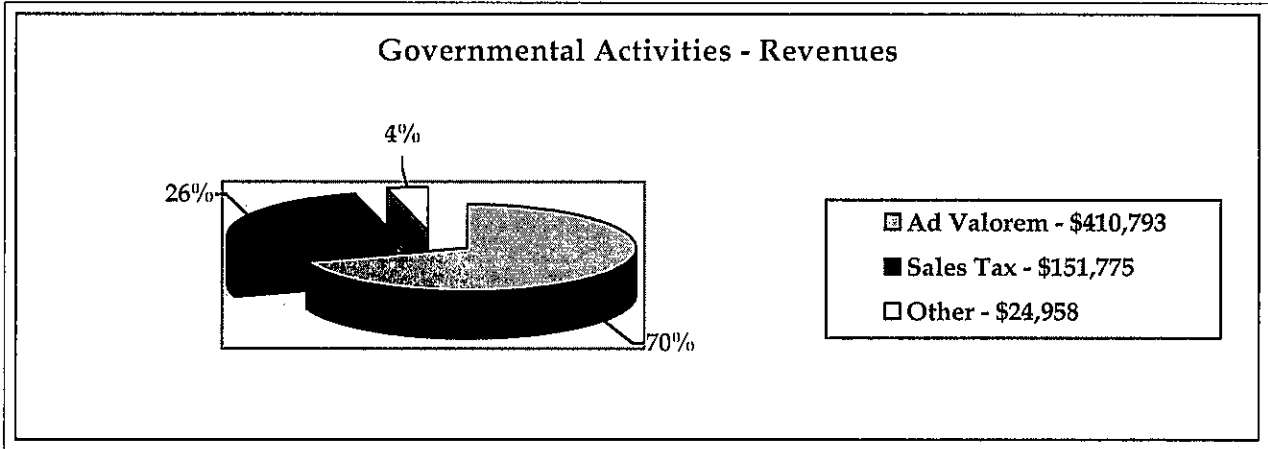
	<u>2021</u>	<u>2020</u>
Revenues		
Taxes	\$ 562,568	\$ 510,367
Other	<u>24,958</u>	<u>45,704</u>
Total revenues	<u>\$ 587,526</u>	<u>\$ 556,071</u>
Expenses		
General and administrative	\$ 262,276	\$ 203,966
Public safety - fire	290,576	296,546
Debt service - interest	<u>10,218</u>	<u>11,439</u>
Total expenses	<u>\$ 563,070</u>	<u>\$ 511,951</u>
Increase (decrease) in net position	\$ 24,456	\$ 44,120
Net position - beginning of year	<u>307,026</u>	<u>262,906</u>
Net position - end of year	<u>\$ 331,482</u>	<u>\$ 307,026</u>

**FIRE PROTECTION DISTRICT NO. 1 OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

The following are graphical representations of information presented in the Statement of Activities for Governmental Activities in 2021:



**GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's budget was amended during the year.

The actual general fund expenditures were \$535 less than the budgeted amounts.

The actual general fund revenues were \$11 more than the budgeted amounts.

FIRE PROTECTION DISTRICT NO. 1 OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2021

CAPITAL ASSETS

At the end of the year, the District had \$298,394 invested in capital assets (net of related debt), including land, buildings, furniture, fire-fighting equipment, and vehicles. This year, there were additions of \$10,426 in capital assets. More detailed information about the District's capital assets is presented in Note 4 of the financial statements.

DEBT

At year end, the District had \$255,153 in capital leases outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Taking all factors into consideration, the District's general fund balance is expected to remain unchanged by the close of 2021.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Ricky Jones, Fire Chief, 118 Arts Drive, St. Joseph, Louisiana 71366, (318) 766-3004.

**SECTION II**  
**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

## STATEMENT OF NET POSITION

DECEMBER 31, 2021

ASSETS

Cash	\$	169,125
Receivables, net		281,939
Deposits		1,500
Prepaid assets		26,564
Capital assets, net		<u>564,013</u>
Total assets	\$	<u>1,043,141</u>

DEFERRED OUTFLOWS OF RESOURCES\$ 164,203LIABILITIES

Accounts payable	\$	74,465
Accrued liabilities		27,276
Accrued compensated absences		60,786
Capital leases payable - current portion		38,951
Capital leases payable - long-term portion		216,202
Net pension liabilities		<u>265,619</u>
Total liabilities	\$	<u>683,299</u>

DEFERRED INFLOWS OF RESOURCES\$ 192,563NET POSITION

Invested in capital assets, net of related debt	\$	298,394
Unrestricted		<u>33,088</u>
Total net position	\$	<u>331,482</u>

The accompanying notes are an integral part of this financial statement.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

STATEMENT OF ACTIVITIES

DECEMBER 31, 2021

**GENERAL REVENUES**

Taxes:

Ad valorem	\$	410,793
Sales tax		151,775
Interest earnings		179
Other revenues		<u>24,779</u>
Total general revenues	\$	<u>587,526</u>

**GENERAL EXPENSES**

Governmental activities

General government	\$	262,276
Public safety - fire		290,576
Interest expense		<u>10,218</u>
Total general expenses	\$	<u>563,070</u>

Change in net position	\$	24,456
Net position, beginning of year		<u>307,026</u>
Net position, end of year	\$	<u><u>331,482</u></u>

The accompanying notes are an integral part of this financial statement.



FUND FINANCIAL STATEMENTS

**GOVERNMENTAL FUNDS**

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

BALANCE SHEET  
GOVERNMENTAL FUNDS

DECEMBER 31, 2021

	General Fund	Total Governmental Funds
<b><u>ASSETS</u></b>		
Cash	\$ 169,125	\$ 169,125
Receivables (net of allowance for uncollectibles)	281,939	281,939
Deposits	1,500	1,500
Prepaid assets	26,564	26,564
Total assets	<u>\$ 479,128</u>	<u>\$ 479,128</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>		
Accounts payable	\$ 74,465	\$ 74,465
Accrued liabilities	27,276	27,276
Total current liabilities	<u>\$ 101,741</u>	<u>\$ 101,741</u>
Fund balance		
Unassigned	<u>\$ 377,387</u>	<u>\$ 377,387</u>
Total fund balance	<u>\$ 377,387</u>	<u>\$ 377,387</u>
Total liabilities and fund balance	<u>\$ 479,128</u>	<u>\$ 479,128</u>

The accompanying notes are an integral part of this financial statement.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2021

Total Fund Balance for Governmental Funds (Statement C)	\$	377,387
Total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used by governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Cost of capital assets	\$	2,445,443
Less accumulated depreciation	<u>(1,881,430)</u>	564,013
Deferred outflows and inflows are not financial resources or currently payable		
Deferred outflows	\$	164,203
Deferred inflows	<u>(192,563)</u>	(28,360)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund liabilities.		(255,153)
Accrued compensated absences liability		(60,786)
Net pension liability		<u>(265,619)</u>
Total Net Position of Governmental Activities (Statement A)	\$	<u><u>331,482</u></u>

The accompanying notes are an integral part of this financial statement.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2021

	<u>General Fund</u>	<u>Total Governmental Funds</u>
<b><u>REVENUES</u></b>		
Taxes		
Ad valorem taxes	\$ 410,793	\$ 410,793
Sales tax	151,775	151,775
Interest earnings	179	179
Other revenues	24,779	24,779
Total revenues	<u>\$ 587,526</u>	<u>\$ 587,526</u>
<b><u>EXPENDITURES</u></b>		
General government	\$ 262,276	\$ 262,276
Public safety – fire	277,370	277,370
Capital outlay	10,426	10,426
Debt service		
Principal retirement	37,586	37,586
Interest expense	<u>10,218</u>	<u>10,218</u>
Total expenditures	<u>\$ 597,876</u>	<u>\$ 597,876</u>
Net change in fund balance	<u>\$ (10,350)</u>	<u>\$ (10,350)</u>
Fund balance, beginning of year	<u>\$ 387,737</u>	<u>387,737</u>
Fund balance, end of year	<u>\$ 377,387</u>	<u>\$ 377,387</u>

The accompanying notes are an integral part of this financial statement.

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED DECEMBER 31, 2021

Net Changes in Fund Balance – Governmental Fund (Statement E)	\$	(10,350)
---	----	----------

Amounts reported for governmental activity in the Statement of Activities is different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:

Capital outlays	\$	10,426	
Depreciation expense		<u>(59,803)</u>	(49,377)

Expenditures in the Statement of Activities that do not involve current financial resources:

Accrued compensated absences expense increase	(8,596)
---	---------

Governmental funds report debt service payments as expenditures and funds borrowed as revenues. However, in the Statement of Activities, repayments of principal of indebtedness reduce long-term liabilities in the Statement of Net Position, and loan proceeds increase long-term liabilities:

Repayment of long-term liabilities	37,586
------------------------------------	--------

Net pension expense is reported in governmental funds as expenditures as they are paid. However, in the Statement of Activities, the net pension expense is reported according to estimates required by GASB 68:

Pension expenses recognized	\$	91,552	
Pension expenses per GASB 68		<u>(36,359)</u>	<u>55,193</u>

Change in Net Position per Statement of Activities (Statement B)	\$	<u>24,456</u>
--	----	---------------

The accompanying notes are an integral part of this financial statement.

**NOTES TO FINANCIAL STATEMENTS**

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

INTRODUCTION

1. The Tensas Parish Police Jury created the Fire Protection District No. 1 of Tensas Parish, Louisiana (the District) on May 25, 1999, by resolution. The District operates in compliance with Part I Chapter 7, Title 40 of the Louisiana Revised Statutes of 1950.
2. The purpose of the District is to provide fire protection for Tensas Parish, Louisiana.
3. The District's boundaries are all of Tensas Parish, Louisiana. Tensas Parish is located in Northeast Louisiana and has a population of 4,600.
4. A Board of Commissioners of five members governs the District, two of which are appointed by the Tensas Parish Police Jury, and three are appointed by the town of St. Joseph, Louisiana.
5. The District had three paid full-time employees during 2021.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statement - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

B. Reporting Entity

The District does not possess all the corporate powers necessary to make it a legally separate entity from the Tensas Parish Police Jury, which holds the District's corporate powers. For this reason, the District is a component unit of the Tensas Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

*Government-Wide Financial Statements*

The Statement of Net Position (Statement A) and the Statement of Activities (Statement B) display information about the District as a whole. These statements include all of the financial activities of the District.



FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Fund Accounting (continued)

Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting.

*Fund Financial Statements*

The amounts reflected in the Balance Sheet - Governmental Funds (Statement C) and the Statement of Revenues, Expenditures, and Changes In Fund Balance (Statement E) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to the Government-Wide Financial Statements. These adjustments are summarized in the financial statements at Statements D and F.

The amounts reflected in the fund financial statements use the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both *measurable* and *available*). *Measurable* means the amount of the transaction can be determined, and *available* means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. The District considers all revenues *available* if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

D. Measurement Focus/Basis of Accounting

*Governmental Funds*

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental funds account for all or most of the District's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District. The following is a description of the District's fund:

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Measurement Focus/Basis of Accounting (continued)**

1. General Fund - the primary operating fund of the District, and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District policy.

**E. Budgets**

The District uses the following budget practices:

1. The Fire Chief prepares a proposed budget and submits same to the District's Board of Commissioners (the Board) no later than 15 days prior to the beginning of each year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least 10 days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board.
6. All budgetary appropriations lapse at the end of each year.
7. Budgets are adopted on a budgetary basis. Budget amounts are as originally adopted or as amended from time to time by the Board.

**F. Cash and Cash Equivalents**

Cash includes amounts in demand deposits and time deposits. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**G. Capital Assets**

Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Capital Assets (continued)

Capital assets are recorded in the Statement of Net Position and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	30 years
Furniture and fixtures	5 years
Vehicles	5 years
Equipment	15 years

H. Compensated Absences

The District has implemented GASB Statement 16, *Accounting for Compensated Absences*. Under GASB Statement 16, a liability for unpaid vacation that is attributable to services already rendered and that is not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to benefits.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources.

Each full-time employee is credited with one day of sick leave for each month worked. The employee's sick leave will begin to accumulate after working one month.

I. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

J. Fund Equity

Beginning with fiscal year 2014, the District implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Fund Equity (continued)**

- Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance - amounts that are available for any purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

The Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for specific purposes (such as the purchase of fixed assets, construction, debt service, or for other purposes).

In the general fund, the District strives to maintain an unassigned fund balance to be used for unanticipated emergencies.

**K. Deferred Outflows/Inflows of Resources**

The Statement of Net Position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

At December 31, 2021, the District had cash and cash equivalents (book balances) totaling \$169,125. The cash was held in interest-bearing demand deposits.

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**NOTE 2 - CASH AND CASH EQUIVALENTS (continued)**

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2021, the District's bank balance is below the amount of federal deposit insurance by \$80,875. Thus, the District does not have exposure to custodial credit risk.

**NOTE 3 - RECEIVABLES**

The receivables of \$281,939 at December 31, 2021, were as follows:

Ad valorem	\$ 180,942
Sales tax	<u>100,997</u>
Total receivables	<u>\$ 281,939</u>

**NOTE 4 - CAPITAL ASSETS**

Capital assets and depreciation activities as of and for the year ended December 31, 2021, for the primary government were as follows:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 3,509	\$ -	\$ -	\$ 3,509
Capital assets being depreciated				
Buildings	\$ 470,214	\$ -	\$ -	\$ 470,214
Equipment	<u>1,961,294</u>	<u>10,426</u>	<u>-</u>	<u>1,971,720</u>
Total capital assets being depreciated	<u>\$ 2,431,508</u>	<u>\$ 10,426</u>	<u>\$ -</u>	<u>\$ 2,441,934</u>
Less accumulated depreciation for:				
Buildings	\$ (278,591)	\$ (15,365)	\$ -	\$ (293,956)
Equipment	<u>(1,543,036)</u>	<u>(44,438)</u>	<u>-</u>	<u>(1,587,474)</u>
Total accumulated depreciation	<u>\$ (1,821,627)</u>	<u>\$ (59,803)</u>	<u>\$ -</u>	<u>\$ (1,881,430)</u>
Total capital assets being depreciated, net	<u>\$ 609,881</u>	<u>\$ (49,377)</u>	<u>\$ -</u>	<u>\$ 560,504</u>
Total capital assets	<u>\$ 613,390</u>	<u>\$ (49,377)</u>	<u>\$ -</u>	<u>\$ 564,013</u>

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**NOTE 4 - CAPITAL ASSETS (continued)**

Depreciation expense of \$59,803 for the year ended December 31, 2021, was charged to the public safety functions.

**NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The accounts payable and accrued liabilities at December 31, 2021, were as follows:

Accounts payable		\$	74,465
Accrued liabilities:			
Accrued payroll	\$	19,976	
Retirement		6,084	
Withholding		<u>1,216</u>	<u>27,276</u>
Total			<u>\$ 101,741</u>

**NOTE 6 - GENERAL LONG-TERM DEBT**

At December 31, 2021, long-term debt was comprised of the following:

\$399,578 capital lease due in annual installments of \$47,867 beginning December 29, 2018 through December 29, 2027, interest at 3.495%, secured by two tanker trucks	\$	255,153
Compensated absences		<u>60,786</u>
		<u>\$ 315,939</u>

The following is a summary of the long-term debt transactions for the year ended December 31, 2021:

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Due Within One Year
Capital lease	\$ 292,739	\$ -	\$ (37,586)	\$ 255,153	\$ 38,951
Compensated absences	<u>52,190</u>	<u>8,596</u>	<u>-</u>	<u>60,786</u>	<u>-</u>
Total	<u>\$ 344,929</u>	<u>\$ 8,596</u>	<u>\$ (37,586)</u>	<u>\$ 315,939</u>	<u>\$ 38,951</u>

The maturity schedule for the debt is as follows:

Date	Principal	Interest	Total
2022	\$ 38,951	\$ 8,916	\$ 47,867
2023	40,312	7,555	47,867
2024	41,721	6,146	47,867
2025	43,180	4,687	47,867

(continued)

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**NOTE 6 - GENERAL LONG-TERM DEBT (continued)**

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	44,689	3,178	47,867
2027	46,300	1,616	47,916
Total	<u>\$ 255,153</u>	<u>\$ 32,098</u>	<u>\$ 287,251</u>

**NOTE 7 - PENSION PLANS**

Plan Description: The District contributes to the Firefighters' Retirement System. The Plan is a cost-sharing, multiple-employer, defined-benefit pension plan. The Plan is administered by a board of trustees. The Plan provides retirement benefits, disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. Louisiana Revised Statutes 11:2551 et seq. grants the Board of Trustees the authority to establish and amend benefit provisions of the Plan.

The retirement system issues publicly available financial reports that include financial statements and required supplementary information for the Plan. The financial reports may be obtained from:

Firefighters' Retirement System  
Post Office Box 94095, Capital Station  
Baton Rouge, Louisiana 70804-9095

Funding Policy: Plan members are required to contribute 10% of their annual covered salary, and the District is required to contribute at an actuarially determined rate. The District's rate is 32.25% of annual covered payroll from January through June 2021, and 33.75% beginning July 2021 and as of December 31, 2021. The District's contribution to the Plan for the year ending December 31, 2020, was \$68,123.

**NOTE 8 - PLAN DESCRIPTION AND BENEFITS**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2021, the District reported a liability of \$265,619 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating cities, actuarially determined. At June 30, 2021, the District's proportion was 0.074952%.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

NOTE 8 - PLAN DESCRIPTION AND BENEFITS (continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

For the year ended December 31, 2021, the District recognized pension expense of \$26,166, plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, \$10,193. At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,791	\$ 23,853
Changes of assumptions	57,558	-
Net difference between projected and actual earnings on pension plan investments	-	161,193
Changes in proportion and differences between District contributions and proportionate share of contributions	66,273	7,517
District contributions subsequent to the measurement date	<u>36,581</u>	<u>-</u>
Total	<u>\$ 164,203</u>	<u>\$ 192,563</u>

\$36,582 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2022	\$ (16,715)
2023	(17,546)
2024	(25,417)
2025	(35,489)
2026	16,322
Thereafter	13,904

*Actuarial assumptions.* The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2021
Actuarial cost method	Entry age normal
Estimated remaining service life	Seven years, closed period



**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**NOTE 8 - PLAN DESCRIPTION AND BENEFITS (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

Investment rate of return	6.90% per annum (net of investment expenses, including inflation) (decreased from 7.00% in 2020)
Inflation rate	2.50% per annum
Salary increase	14.10% in the first two years of service and 5.20% with three or more years of service; includes inflation and merit increases
Cost-of-living adjustments	For the purpose of determining the present value of benefits, COLA's were deemed not to be substantively automatic and only those previously granted were included.

The mortality rate assumptions were updated in fiscal year 2020 to reflect changes from the recent experience study and rates set in the Pub-2010 Public Retirement Plans mortality tables, as compared to the RP-2000 Combined Healthy and Disabled Lives tables that were used for the previous valuation. For the June 30, 2021 valuation, assumptions for mortality rates were based on the following:

For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees. For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public

Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees. For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees. In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

The estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation and the G.S. Curran & Company Consultant Average study for 2020. The consultants' average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from a number of investment consultants and investment management firms. Each consultant's response included nominal expected long-term rates of return. In order to arrive at long-term expected arithmetic real rates of return, the actuary normalized the data received from the consultant's responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long-term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long-term standard deviation and then reduced the assumption by the long-term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2020.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

**NOTE 8 - PLAN DESCRIPTION AND BENEFITS (continued)**

The long-term expected real rate of return is an important input into the actuary's determination of the reasonable range for the discount rate which is used in determining the total pension liability. Prior year's financial reports presented the long-term expected real rate of return provided by the System's investment consultant, whereas this year's report presents this information for both fiscal years 2020 and 2019 from the System's actuary. The actuary's method incorporates information from multiple consultants and investments firms regarding future expected rates of return, variances, and correlation coefficients for each asset class. The actuary's method integrates data from multiple sources to produce average values thereby reducing reliance on a single data source. Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of June 30, 2020, are summarized in the following table:

Asset Type	Target Asset Allocation	Long-Term Expected Real Rate of Return
<b>Equity:</b>		
U.S. equity	27.50%	5.86%
Non-U.S. equity	11.50%	6.44%
Global equity	10.00%	6.40%
Emerging market equity	7.00%	8.64%
<b>Fixed Income:</b>		
U.S. core fixed income	18.00%	0.97%
U.S. TIPS	3.00%	0.40%
Emerging market debt	5.00%	2.75%
<b>Multi-Asset Strategies:</b>		
Global Tactical Asset Allocation	0.00%	4.17%
Risk Parity	0.00%	4.17%
<b>Alternatives:</b>		
Private equity	9.00%	9.53%
Real estate	6.00%	5.31%
Real assets	3.00%	***
	<u>100.00%</u>	

\*\*\*Subsequent to the actuary's calculation of the long term expected real rate of return in January 2021, the Board voted to amend the target asset allocation (which included a target weight in private real assets).

*Discount Rate*

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumes that contributions from Plan members will be made at the current contribution rates, and that contributions from participating employers and non-employer contributing entities will be made at the actuarially-determined rates approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee, taking into consideration the recommendation of the System's actuary. Based on these assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

NOTE 8 - PLAN DESCRIPTION AND BENEFITS (continued)

*Sensitivity to Changes in Discount Rate*

The following represents the net pension liability of the participating employers calculated using the discount rate of 6.90%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate.

	Changes in Discount Rate		
	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
	Net pension liability	\$ 509,570	\$ 265,619

NOTE 9 - RISK MANAGEMENT

The District is exposed to certain risks of losses such as property damage, liability issues, and other potential losses that may occur. The District minimizes its losses by purchase of commercial insurance. The District's exposure over the amount of insurance is considered to be immaterial.

SECTION III  
ADDITIONAL REQUIRED SUPPLEMENTARY INFORMATION

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL BASIS - GENERAL FUND**

YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES</u></b>				
Taxes				
Ad valorem	\$ 421,169	\$ 534,904	\$ 534,904	\$ -
Sales tax	110,000	124,651	124,651	-
Intergovernmental revenue	3,000	2,842	-	(2,842)
Interest income	200	167	179	12
Other revenues	<u>17,000</u>	<u>21,938</u>	<u>24,779</u>	<u>2,841</u>
Total revenues	<u>\$ 551,369</u>	<u>\$ 684,502</u>	<u>\$ 684,513</u>	<u>\$ 11</u>
<b><u>EXPENDITURES</u></b>				
General government	\$ 266,175	\$ 266,677	\$ 262,276	\$ 4,401
Public safety – fire	270,900	271,626	275,492	(3,866)
Capital outlay	10,000	10,426	10,426	-
Debt service:				
Principal paid	37,804	37,586	37,586	-
Interest expense	<u>10,000</u>	<u>10,218</u>	<u>10,218</u>	<u>-</u>
Total expenditures	<u>\$ 594,879</u>	<u>\$ 596,533</u>	<u>\$ 595,998</u>	<u>\$ 535</u>
Net change in fund balances	\$ (43,510)	\$ 87,969	\$ 88,515	\$ 546
Fund balance, beginning of year	<u>80,610</u>	<u>80,610</u>	<u>80,610</u>	<u>-</u>
Fund balance, end of year	<u>\$ 37,100</u>	<u>\$ 168,579</u>	<u>\$ 169,125</u>	<u>\$ 546</u>

See Independent Auditor's Report.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2021

Budgetary Comparison Schedule

1. Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the final legally adopted budget, the actual data on the cash basis, and variances between the final budget and the actual data.

2. Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

The following schedule reconciles net change in fund balances on the budgetary basis schedules to the GAAP basis financial statements for the General Fund:

Net change in fund balance - budget basis Increase	\$ 88,515
Net adjustments for revenue accruals	(96,987)
Net adjustments for expenditure accruals	<u>(1,878)</u>
Net change in fund balance - GAAP basis	<u>\$ (10,350)</u>

See Independent Auditor's Report.

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FIREFIGHTERS' RETIREMENT SYSTEM**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
District's proportion of the net pension liability (asset)	0.064716%	0.063832%	0.062600%	0.061667%	0.063045%	0.074952%
District's proportionate share of the net pension liability (asset)	\$ 423,301	\$ 365,875	\$ 360,080	\$ 386,153	\$ 437,000	\$ 265,619
District's covered-employee payroll	\$ 149,040	\$ 149,040	\$ 149,040	\$ 149,040	\$ 166,860	\$ 166,860
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	284.02%	245.49%	241.60%	259.10%	261.90%	159.19%
Plan fiduciary net position as a percentage of the total pension liability	68.16%	73.55%	74.76%	73.96%	72.61%	86.78%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
FIREFIGHTERS' RETIREMENT SYSTEM

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually required contribution	\$ 39,123	\$ 38,564	\$ 39,495	\$ 40,582	\$ 50,784	\$ 68,123
Contributions in relation to the contractually required contribution	<u>(39,123)</u>	<u>(38,564)</u>	<u>(39,495)</u>	<u>(40,582)</u>	<u>(50,784)</u>	<u>(68,123)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 149,040	\$ 149,040	\$ 149,040	\$ 149,040	\$ 166,860	\$ 207,000
Contributions as a percentage of covered-employee payroll	26.25%	25.88%	26.50%	27.23%	30.44%	32.91%

- This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.



SECTION IV  
OTHER SUPPLEMENTARY INFORMATION

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO  
AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED DECEMBER 31, 2021

Agency Head Name: Steven Hisaw, Board Chairman

Benefits - per diem: \$ 150

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

SCHEDULE OF INSURANCE COVERAGE

FOR THE YEAR ENDED DECEMBER 31, 2021

Below is a listing of insurance policies in force as of December 31, 2021:

<u>Policy Type</u>	<u>Number</u>	<u>Company</u>	<u>Coverage</u>	<u>Expiration</u>
1. Commercial property:	MEPK067822014	Arch		7/1/2022
Each occurrence - buildings			\$ 1,216,955	
Personal and advertising injury			\$ 58,192	
Flood - each building			\$ 1,000,000	
Employee theft			\$ 25,000	
2. Commercial liability umbrella:	MEUM06806714	Arch		7/1/2022
Each occurrence limit			\$ 1,000,000	
Personal and advertising injury			\$ 1,000,000	
Automobiles			Various	
3. Blanket insurance	11VLF8139701	Arch	Various	7/1/2022

See Independent Auditor's Report.

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

SCHEDULE OF COMPENSATION OF THE GOVERNING BOARD

FOR THE YEAR ENDED DECEMBER 31, 2021

Commissioners:	
Steven Hisaw	\$ 150
Theodore Jackson	-
Rick Foster	150
David R. Lee	<u>150</u>
Total	<u>\$ 450</u>

See Independent Auditor's Report.

**SECTION V**

**REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE**



209 N. Commerce St.  
Natchez, MS 39120  
P. O. Box 1027  
Natchez, MS 39121  
Tel: 601-442-7411  
Fax: 601-442-8551

2120 Forsythe Ave.  
Monroe, LA 71201  
P. O. Box 4550  
Monroe, LA 71211  
Tel: 318-323-4481  
Fax: 318-323-2188

[www.silassimmons.com](http://www.silassimmons.com)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Members of the Board of Commissioners  
Fire Protection District No. 1 of Tensas Parish, Louisiana  
St. Joseph, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Fire Protection District No. 1 of Tensas Parish, Louisiana as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Fire Protection District No. 1 of Tensas Parish, Louisiana's basic financial statements, and have issued our report thereon dated May 31, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Fire Protection District No. 1 of Tensas Parish, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fire Protection District No. 1 of Tensas Parish, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of Fire Protection District No. 1 of Tensas Parish, Louisiana's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fire Protection District No. 1 of Tensas Parish, Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with

certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Silas Simmons, LLP". The signature is written in a cursive, flowing style.

Natchez, Mississippi  
May 31, 2022

FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA

SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**Section 1: Summary of Auditor's Report**

- |  |             |
|--|-------------|
| 1. Type of auditor's report issued on the primary government financial statements:         |             |
| Governmental activities  | Unqualified |
| 2. Internal control over financial reporting:  |             |
| a. Material weakness(es) identified?   | No          |
| b. Significant deficiency(s) identified that are not considered to be material weaknesses? | No          |
| 3. Noncompliance material to the primary government financial statements?                  | No          |



**FIRE PROTECTION DISTRICT NO. 1  
 OF TENSAS PARISH, LOUISIANA  
 (A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
 ST. JOSEPH, LOUISIANA**

**STATUS OF PRIOR YEAR FINDINGS**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

Reference No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective Action/Partial Corrective Action Taken
------------------	---	------------------------	---	---

Section I – Internal Control and Compliance Not Material to the Financial Statements:

None

Section II – Internal Control and Compliance Material to Federal Awards:

None

Section III – Management Letter:

None

**FIRE PROTECTION DISTRICT NO. 1  
OF TENSAS PARISH, LOUISIANA  
(A COMPONENT UNIT OF THE TENSAS PARISH POLICE JURY)  
ST. JOSEPH, LOUISIANA**

**STATUS OF CURRENT YEAR FINDINGS, RECOMMENDATIONS, AND CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Section I – Internal Control and Compliance Not Material to the Financial Statements:

None

Section II – Internal Control and Compliance Material to Federal Awards:

None

Section III – Management Letter:

None