

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH

Component Unit Financial Statements
For the Year Ended December 31, 2021

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
CHATHAM, LOUISIANA

FOR THE YEAR ENDED DECEMBER 31, 2021

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners
Ward Three Fire Protection District of Jackson Parish
Chatham, Louisiana

I have reviewed the accompanying financial statements of the governmental activities of the Ward Three Fire Protection District of Jackson Parish, a component unit of the Jackson Parish Police Jury, as of December 31, 2021 which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the District's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Accountant's Responsibility

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Services Committee of the AICPA. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Ward Three Fire Protection District of Jackson Parish and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners
Ward Three Fire Protection District of Jackson Parish
Chatham, Louisiana
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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. I have not audited or reviewed such required supplementary information and, accordingly, I do not express an opinion, conclusion, nor provide any assurance on it.

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

Other Information

Act 706 of the Louisiana 2014 Legislative Session requires the Schedule of Compensation, Benefits, and Other Payments to Agency Head, as listed in the table of contents, to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The information is the representation of management. I have not audited or reviewed such required supplementary information, and accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on it.

Report on Agreed Upon Procedures

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated June 14, 2022, on the results of the agreed-upon procedures.

David M. Handt, CPA (CAPAC)

West Monroe, Louisiana
June 14, 2022

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities
<i>Assets</i>	
Cash and Cash Equivalents	\$ 591,953
Accounts Receivable	371,112
Capital Assets:	
Non-Depreciable	172,552
Depreciable	1,811,959
Total Assets	2,947,576
<i>Liabilities</i>	
Accounts Payable	\$ 15,778
<i>Net Position</i>	
Net Investment in Capital Assets	1,984,511
Net Position - Unrestricted	947,287
Total Net Position	\$ 2,931,798

See accompanying notes and Independent Accountant's Review Report.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Governmental Activities Public Safety	\$ 294,034	\$ -	\$ -	\$ -	\$ (294,034)

General Revenues:	
Property Taxes	365,659
Insurance Rebate	6,279
Interest	1,438
Miscellaneous	600
Total General Revenues	373,976
Changes in Net Position	79,942
Net Position - Beginning	2,851,856
NET POSITION - ENDING	\$ 2,931,798

See accompanying notes and Independent Accountant's Review Report.

COMPONENT UNIT FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

WARD THREE FIRE PROTECTION DISTRICT
JACKSON PARISH
BALANCE SHEET, GOVERNMENTAL FUNDS
DECEMBER 31, 2021

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 591,953
Accounts Receivable	371,112

<u>TOTAL ASSETS</u>	\$ 963,065
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LIABILITIES AND FUND BALANCE

Liabilities

Accounts Payable	\$ 15,778
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Fund Balance

Unassigned	947,287
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<u>TOTAL LIABILITIES AND FUND BALANCE</u>	\$ 963,065
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**Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position**

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

Fund Balance, Governmental Funds:	\$ 947,287
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	1,984,511
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resources and therefore are not reported in the funds.	_____
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Net Position of Governmental Activities	\$ 2,931,798
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See accompanying notes and Independent Accountant's Review Report.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Operating Revenue</u>	
Property Taxes	\$ 365,659
Intergovernmental Revenues:	
Fire Insurance Rebate	6,279
Miscellaneous Revenue	600
Total Operating Revenue	<u>372,538</u>
 <u>Operating Expenses</u>	
Public Safety - Fire Protection:	
Current:	
Supplies	12,470
Utilities	10,169
Repairs & Maintenance	10,777
Miscellaneous	150
Insurance	23,324
Legal & Accounting	9,159
Office	794
Salaries & Related Benefits	39,325
Statutorily Required Pension Expense	13,301
Training, Education and Travel	577
Capital Outlay	117,041
Total Operating Expenses	<u>237,087</u>
 <u>Change in Fund Balance</u>	 135,451
 <u>Other Financing Sources (Uses)</u>	
Interest Earnings	<u>1,438</u>
 <u>Net Change in Fund Balance</u>	 136,889
 <u>Fund Balance - Beginning of the Year</u>	 <u>810,398</u>
 <u>FUND BALANCE - END OF THE YEAR</u>	 <u>\$ 947,287</u>

See accompanying notes and Independent Accountant's Review Report.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2021 (CONTINUED)

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
To the Statement of Activities**

*Amounts reported for governmental activities in the Statement of Activities
are different because:*

Net change in fund balances - total governmental funds \$ 136,889

Governmental funds report capital outlays as expenditures,
however, in the statement of activities, the cost of those
assets is depreciated over their estimated useful lives.

Expenditures for capital assets	117,041	
Less current year depreciation	<u>(173,988)</u>	
		<u>(56,947)</u>

Changes in net position of governmental activities \$ 79,942

See accompanying notes and Independent Accountant's Review Report.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

INTRODUCTION

Ward Three Fire Protection District of Jackson Parish, a component unit of the Jackson Parish Police Jury, is located in the eastern portion of Jackson Parish in northeast Louisiana. As provided by Louisiana Revised Statute 40:1495, the District is governed by a Board of Commissioners consisting of five members: two members are appointed by the Jackson Parish Police Jury; two members are appointed by the Mayor and Board of Aldermen of Chatham, Louisiana; and one member who serves as chairman, is elected by the four appointed board members. Commissioners are residents of the District and serve staggered one and two year terms. The members of the Board of Commissioners do not received compensation.

Note 1 - Summary of Significant Accounting Policies

A. BASIS OF PRESENTATION

The accompanying financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District applies all relevant GASB pronouncements, and GAAP, as applicable to governmental entities. Also, the District's financial statements are prepared in accordance with the requirements of Louisiana R.S.24:513 and Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants.

B. REPORTING ENTITY

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a component unit of the Jackson Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the 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.

GASB Statements No. 39, *Determining Whether Certain Organizations are Component Units*, establishes criteria for determining which, if any, component units should be considered part of the Jackson Parish Police Jury for financial reporting purposes. GASB No. 61 provides additional criteria for classifying entities as component units. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 - Summary of Significant Accounting Policies

B. REPORTING ENTITY (continued)

1. Appointing a voting majority of an organization's governing body, and:
 - i. The ability of the government to impose its will on that organization and/or
 - ii. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.
3. Organization 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.

Because the Jackson Parish Police Jury approves the organization's governing body, and the potential for the organization to provide specific benefits to or impose specific financial burdens on the police jury, the District was determined to be a component unit of the Jackson 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 government unit, or the other governmental units that comprise the financial reporting entity.

C. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 - Summary of Significant Accounting Policies - Continued

D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund. The District has no proprietary fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 - Summary of Significant Accounting Policies - Continued

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

E. CASH AND CASH EQUIVALENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the entity to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

The District's investments consist of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost. The District's interest rate risk is limited by the investments of funds for no longer than 12 months.

F. RECEIVABLES AND PAYABLES

Property taxes are levied on a calendar year basis and become delinquent on January 1 of each year. The following is a summary of authorized and levied Parcel Fees:

	<u>Authorized</u>	<u>Levied</u>	<u>Expiration Date</u>
Property Taxes	10.00 Mills	9.99 Mills	2028

Delinquent property taxes are considered fully collectible and therefore no allowance for uncollectible fees is provided.

G. CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are capitalized at historical cost 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. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No construction occurred during the current fiscal year.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 - Summary of Significant Accounting Policies - Continued

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Useful Lives</u>
Buildings	40 Years
Vehicles	7-15 Years
Equipment	5-10 Years

H. LONG-TERM OBLIGATIONS

In the government-wide financial statements, capital leases and other long-term obligations, if any, are reported as liabilities in the statement of net position.

I. FUND EQUITY

GASB Statement No. 54 establishes standards for five fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in government funds. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining Two classifications: restricted, committed, assigned and unassigned.

Restricted Fund Balance – This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Commissioners – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 1 - Summary of Significant Accounting Policies - Continued

I. FUND EQUITY (Continued)

Assigned Fund Balance – This classification reflects the amounts constrained by the District’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Board of Commissioners and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned Fund Balance – This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned and unassigned – in order as needed.

J. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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 revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Stewardship, Compliance, and Accountability

Budget Information: Preliminary budgets for the ensuing year are prepared by the Fire Chief during November of each year. During November, the Board reviews the proposed budget and makes changes as it deems appropriate. The budget is then adopted during the December meeting. All annual appropriations lapse at year end. Encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted budget and no amendments for the year ended December 31, 2021.

Note 3 - Cash and Cash Equivalents

Custodial Credit Risk – deposits. The custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District’s policy to ensure there is no exposure to this risk is to require the financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Accordingly, the District had no custodial credit risk related to its deposits at December 31, 2021.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 3 - Cash and Cash Equivalents (continued)

The District has cash (book balances) totaling \$591,953 at December 31, 2021 as follows:

Checking	\$ 591,953
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These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the 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. Cash and cash equivalents (bank balances) at December 31, 2021, are secured as follows:

Bank Balances	\$ 592,813
FDIC Insurance	250,000
Pledged Collateral	<u>401,962</u>
Uninsured Amount	<u>\$ _____</u>

The accounts are managed by the District's fiscal agent and consist of securities issued or guaranteed by the U.S. government. Investments are in accordance with LRS 33:2955(A)(1)(e) and are not required to be covered by the pledge of securities owned by the fiscal agent bank.

Note 4 - Accounts Receivable

At December 31, 2021, the District's accounts receivable consisted of the following:

Property Tax Receivable	\$ <u>371,112</u>
Total Accounts Receivable	<u>\$ 371,112</u>

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Note 5 - Property, Plant and Equipment

Capital asset activity for the year ended December 31, 2021 and 2020 is as follows:

	December 31, 2020			December 31, 2021
	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
Non-Depreciable Assets:				
Land	\$ 21,000	\$ -	\$ -	\$ 21,000
Construction in Progress	<u>47,852</u>	<u>103,700</u>	<u>-</u>	<u>151,552</u>
Total Assets Not Being Depreciated	<u>68,852</u>	<u>103,700</u>	<u>-</u>	<u>172,552</u>
Depreciable Assets:				
Trucks	2,057,769	-	-	2,057,769
Equipment	269,561	13,341	-	282,902
Buildings	<u>1,098,116</u>	<u>-</u>	<u>-</u>	<u>1,098,116</u>
Totals at Historical Cost	3,425,446	13,341	-	3,438,787
Less Accumulated Depreciation for:				
Trucks	(816,906)	(127,007)	-	(943,913)
Equipment	(160,784)	(19,615)	-	(180,399)
Buildings	<u>(475,150)</u>	<u>(27,366)</u>	<u>-</u>	<u>(502,516)</u>
Total Accumulated Depreciation	<u>(1,452,840)</u>	<u>(173,988)</u>	<u>-</u>	<u>(1,626,828)</u>
<u>CAPITAL ASSETS, NET</u>	<u>\$2,041,458</u>	<u>\$(56,947)</u>	<u>\$ -</u>	<u>\$1,984,511</u>

Depreciation expense was \$173,988 in 2021.

Note 7 - Risk Management

The District purchases commercial insurance to reduce the risk of loss resulting from property damage or liability claims. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

Note 8 - Subsequent Events

Subsequent events have been evaluated through June 14, 2022, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

Note 9 - Retirement Plans

The District does not participate in any pension or retirement plans.

REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULES

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>Budgetary Basis</u>	<u>Variance With</u> <u>Final Budget</u> <u>Over(Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem tax	391,000	391,000	365,659	(25,341)
Intergovernmental revenues:				
Fire Insurance rebates	6,500	6,500	6,279	(221)
Other revenues	2,000	2,000	600	(1,400)
Total Revenues	<u>399,500</u>	<u>399,500</u>	<u>372,538</u>	<u>(26,962)</u>
Expenditures				
Supplies	7,000	7,000	12,470	(5,470)
Utilities	11,000	11,000	10,169	831
Repairs & Maintenance	20,000	20,000	10,777	9,223
Miscellaneous	4,500	4,500	150	4,350
Insurance	22,000	22,000	23,324	(1,324)
Legal & Accounting	5,000	5,000	9,159	(4,159)
Office	1,000	1,000	794	206
Salaries & Related Benefits	42,000	42,000	39,325	2,675
Statutorily Required Pension Expense	15,000	15,000	13,301	1,699
Training, Education and Travel	5,000	5,000	577	
Capital Outlay	306,000	306,000	117,041	188,959
Total Expenditures	<u>438,500</u>	<u>438,500</u>	<u>237,087</u>	<u>196,990</u>
Net Change in Fund Balance	(39,000)	(39,000)	135,451	170,028
Other Financing Sources				
Interest Earnings	1,500	1,500	1,438	(62)
Net Change in Fund Balance	(37,500)	(37,500)	136,889	169,966
Fund Balance at Beginning of Year	<u>810,398</u>	<u>810,398</u>	<u>810,398</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 772,898</u>	<u>\$ 772,898</u>	<u>\$ 947,287</u>	<u>\$ 169,966</u>

See accompanying notes and Independent Accountant's Review Report.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
NOTES TO BUDGET COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2021

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer during November of each year. During November, the Board reviews the proposed budget and makes changes as it deems appropriate. The budget is then adopted during the December meeting. All annual appropriations lapse at year end. Encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted budget and no amendments for the year ended December 31, 2021.

See accompanying notes and Independent Accountant's Review Report.

OTHER SUPPLEMENTAL SCHEDULES

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS
AND OTHER PAYMENTS TO AGENCY HEAD,
POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2021

Name	Office	Compensation	Reimbursements
Danny Peel	Fire Chief	\$ 30,000	\$ 52

See accompanying notes and Independent Accountant's Review Report.

COMPLIANCE REPORTING

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To The Board of Commissioners of the Ward Three Fire Protection District of Jackson Parish and
the Louisiana Legislative Auditor:

I have performed the procedures enumerated below, which were agreed to by the Ward Three Fire Protection District of Jackson Parish and the Louisiana Legislative Auditor (the specified parties), on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire during the fiscal year ended December 31, 2021, as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*. The District's management is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, I make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$30,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code) or R.S. 38:2211-2296 (the public bid law), whichever is applicable; and report whether the expenditures were made in accordance with these laws.

One expenditure was made during the year for materials and supplies exceeding \$30,000, and no expenditures were made for public works exceeding \$250,000. No bids were received.

Code of Ethics for Public Officials and Public Employees

2. Obtain a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the ethics law).

Management provided me with the requested information.

3. Obtain a list of all employees paid during the fiscal year.

Management provided me with the requested information.

4. Report whether any employees' names appear on both lists obtained in Procedures 2 and 3.

None of the employees included on the list provided by management for agreed-upon Procedure 3 appeared on the list provided by management for agreed-upon Procedure 2.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the original budget. Management represented that there was no amendment to the budget during the year.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

I traced adoption of the original budget to documentation in the minutes of the meeting of the District's commissioners held on December 7, 2020. Management represented that there was no amendment to the budget during the year.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more. (For agencies that must comply with the Licensing Agency Budget Act only, compare the expenditures of the final budget to actual expenditures, and report whether actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total).

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues exceeded budgeted revenues. Expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select six disbursements, and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

- (a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

Each of the six selected disbursements agreed with the amount and payee in the supporting documentation.

- (b) Report whether the six disbursements were coded to the correct fund and general ledger account.

All of the disbursements were properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

The District's policies and procedures state that the chairman of the District's Board of Commissioners must approve all disbursements, with subsequent approval by the full board. Documentation supporting each of the six selected disbursements included the signature of the chairman of the Board of Commissioners. In addition, approval by the full commission for each of the disbursements was traced to the District's minute book.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 through 42:28 (the open meetings law); and report whether there are any exceptions.

Management represented that the District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. The District complied with this requirement.

Debt

11. Obtain bank deposit slips for the fiscal year, and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

I scanned copies of all bank deposit slips for the fiscal year, and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

I scanned payroll disbursements and read the meeting minutes of the District's board of commissioners for the fiscal year. I found no payments or approval for payments to employees that would constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District's report was submitted timely.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management represented that the District entered into no contracts during the fiscal year that was subject to the public bid law.

Prior-Year Comments

15. Obtain and report management's representation as to whether any prior-year suggestions, exceptions, recommendations, and/or comments have been resolved.

The prior year report, dated June 2, 2021, did not include suggestions, exceptions, recommendations, and comments.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. I was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's compliance with the foregoing matters. Accordingly, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the District's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance.

Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

West Monroe, Louisiana
June 14, 2022

David M. Hart, CPA (CAPA)

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Section I - Financial Statement Findings

No findings were reported under this section.

WARD THREE FIRE PROTECTION DISTRICT OF
JACKSON PARISH
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2021

Section I - Financial Statement Findings

No findings were reported in this section.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

David M. Hartt, CPA (APAC)

PO Box 1332

West Monroe, LA 71294

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2021 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No N/A

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No N/A

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It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No N/A

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No N/A

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No N/A

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes No N/A

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No N/A

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No N/A

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No N/A

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes No N/A

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes No N/A

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No N/A

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No N/A

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No N/A

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No N/A

We acknowledge that we are responsible for determining that that the procedures performed are appropriate for the purposes of this engagement.

Yes No N/A

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No N/A

We have provided you with all relevant information and access under the terms of our agreement.

Yes No N/A

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No N/A

We are not aware of any material misstatements in the information we have provided to you.

Yes [X] No [] N/A []

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We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes [X] No [] N/A []

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We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [X] No [] N/A []

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The previous responses have been made to the best of our belief and knowledge.

<u>Margaret Waggoner</u>	Secretary	<u>3-28-23</u>	Date
<u>Gregory C. Hams</u>	Treasurer	<u>4-4-22</u>	Date
<u>Shelby John</u>	President	<u>4-4-22</u>	Date