

**NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana**

Annual Financial Statements

**As of and for the Year Ended
December 31, 2022**

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

Annual Financial Statements
As of and for the Year Ended December 31, 2022

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M. Carleen Dumas
CERTIFIED PUBLIC ACCOUNTANT

369 DONALDSON ROAD • CALHOUN, LOUISIANA 71225 • TELEPHONE 318/644-5726

Accountant's Compilation Report

BOARD OF COMMISSIONERS
NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and major fund information of Northeast Union Fire District (the "District"), a component unit of Union Parish Police Jury, as of and for the year ended December 31, 2022, 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 accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to agency head and board of commissioners and schedule of prior year findings are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. The information was subject to my compilation engagement, but I have not audited or reviewed the supplementary information, and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

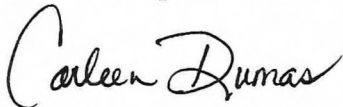
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on page 18 be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the representation of management. I have not performed an audit, review, or compilation on the required supplementary information, and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on such information.

BOARD OF COMMISSIONERS
NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

Management has omitted the 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 for placing the basic financial statements in an appropriate operational, economic, or historical context.

I am not independent with respect to Northeast Union Fire District for the year ended December 31, 2022.

A handwritten signature in cursive script that reads "Carleen Dumas".

Calhoun, Louisiana
May 31, 2023

BASIC FINANCIAL STATEMENTS

Statement A

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

STATEMENT OF NET POSITION
December 31, 2022

| | <u>GOVERNMENTAL ACTIVITIES</u> |
|---------------------------------------|------------------------------------|
| ASSETS | |
| Cash | \$169,147 |
| Investments - certificates of deposit | 178,902 |
| Receivables | 68,589 |
| Capital assets, net | <u>632,835</u> |
| TOTAL ASSETS | <u>1,049,473</u> |
| LIABILITIES | |
| Accounts payable | <u>969</u> |
| DEFERRED INFLOW OF RESOURCES | |
| Property taxes | <u>73,017</u> |
| NET POSITION | |
| Net investment in capital assets | 632,835 |
| Unrestricted | <u>342,652</u> |
| TOTAL NET POSITION | <u><u>\$975,487</u></u> |

See accompanying notes and accountant's compilation report.

Statement B

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

| | <u>GOVERNMENTAL ACTIVITIES</u> |
|---------------------------------|------------------------------------|
| Expenses: | |
| Public safety - fire protection | <u>(\$94,801)</u> |
| General revenue: | |
| Property taxes | 66,891 |
| State fire insurance rebate | 19,161 |
| Interest earnings | 508 |
| Donation of land | <u>4,500</u> |
| Total general revenue | <u>91,060</u> |
| Change in net position | (3,741) |
| Net position - beginning | <u>979,228</u> |
| Net position - ending | <u><u>\$975,487</u></u> |

See accompanying notes and accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
December 31, 2022

| | GENERAL FUND |
|--|-----------------|
| ASSETS | |
| Cash | \$169,147 |
| Investments - certificates of deposit | 178,902 |
| Receivables | 68,589 |
| TOTAL ASSETS | \$416,638 |
| LIABILITIES | |
| Accounts payable | \$969 |
| DEFERRED INFLOW OF RESOURCES | |
| Property taxes | 73,017 |
| FUND BALANCE | |
| Unassigned | 342,652 |
| TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE | \$416,638 |
| Reconciliation of the Balance Sheet of Governmental Fund To the Statement of Net Position: | |
| Fund balance - unassigned - General Fund | \$342,652 |
| Amount reported for net position of governmental activities in the Statement of Net Position (Statement A) is different because: | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund | 632,835 |
| Net position of governmental activities (Statement A) | \$975,487 |

See accompanying notes and accountant's compilation report.

Statement D

**NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana**

**STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended December 31, 2022**

| | <u>GENERAL FUND</u> |
|---|-------------------------|
| REVENUE | |
| Property taxes | \$66,891 |
| Intergovernmental revenue - state fire insurance rebate | 19,161 |
| Investment income | 508 |
| Total revenue | <u>86,560</u> |
| EXPENDITURES | |
| Public safety - fire protection: | |
| Current: | |
| Operating services | 23,357 |
| Materials and supplies | 5,001 |
| Capital outlay | 23,902 |
| Total expenditures | <u>52,260</u> |
| NET CHANGE IN FUND BALANCE | 34,300 |
| FUND BALANCE AT BEGINNING OF YEAR | <u>308,352</u> |
| FUND BALANCE AT END OF YEAR | <u><u>\$342,652</u></u> |

(Continued)

See accompanying notes and accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND (Contd.)
For the Year Ended December 31, 2022

| | <u>GENERAL FUND</u> |
|---|-------------------------|
| Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities: | |
| Net change in fund balance - General Fund | \$34,300 |
| Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because: | |
| The donation of land reported as general revenue on the statement of activities does not provide current financial resources and, therefore, is not reported as revenue in the General Fund. | 4,500 |
| The General Fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount depreciation expense exceeded capital outlay expenditures in the current period. | <u>(42,541)</u> |
| Change in net position of governmental activities (Statement B) | <u><u>(\$3,741)</u></u> |

(Concluded)

See accompanying notes and accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2022

INTRODUCTION

The Northeast Union Fire District (the "District") was created by the Union Parish Police Jury on October 7, 1997, as authorized by Louisiana Revised Statute 40:1494. The District is governed by a five member board appointed by the Union Parish Police Jury. Board members serve terms from two to three years without benefit of compensation. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the District. The District has no employees.

GASB Statement No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these statements, the District is considered a component unit of the Union Parish Police Jury. As a component unit, the accompanying financial statements maybe included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 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 revenue are reported as general revenue.

All individual governmental funds are reported as separate columns in the fund financial statements. The District has only one governmental fund.

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Notes to the Financial Statements

**B. 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. Revenue is 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 revenue 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. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenue is considered to be available if it is 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.

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

The District reports the following governmental fund:

General Fund

The General fund is the general operating fund of the District and accounts for all financial resources.

C. Deposits and Investments

Cash includes the amount in a noninterest-bearing demand deposit. State law limits the District's credit risk by restricting the District's investments to collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 2022, the District's investments consists of nonnegotiable certificates of deposit with original maturities that exceed 90 days that are

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Notes to the Financial Statements

reported in the accompanying financial statements at cost. The District's interest rate risk is limited by the investment of funds for on longer than one year.

D. Receivables

All receivables are generally shown net of an allowance for uncollectible accounts. These statements contain no provision for uncollectible accounts. The District is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The District levied 7.56 mills on property within the boundaries of the District with an assessed value of \$11,520,907 for maintenance and operation of the District for the year ended December 31, 2022. The property taxes are collected by the Union Parish Sheriff and remitted to the District on a monthly basis. The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the year ended December 31, 2022, there were no such exemptions in effect that reduced the District's property tax revenue.

E. Capital Assets

Capital assets, which include land, construction in progress, buildings, vehicles, and equipment are reported in the governmental activities column in the government-wide financial statements. All of the District's capital assets are capitalized at historical cost except for donated assets which are recorded at market value on the date of donation. The District maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

All capital assets, except land and construction in progress, are depreciated using the straight-line method over the following useful lives:

| | <u>Estimated Lives</u> |
|-----------|------------------------|
| Buildings | 20-40 years |
| Vehicles | 5-15 years |
| Equipment | 5-10 years |

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Notes to the Financial Statements

F. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement section represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. Property taxes that are recorded before the period for which the taxes are levied, are reported as deferred inflows of resources.

G. Net Position/Fund Balance

For the government-wide statement of net position, net position is reported as restricted when constraints are placed on net position by either of the following ways:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
2. imposed by law through constitutional provisions or enabling legislation.

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which funds can be spent. Fund balance should be reported as restricted when constraints on the use of the funds meet the same criteria as restricted net position in the government-wide statement of net position as noted in the previous paragraph. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the board of aldermen are reported as committed fund balance.

Assigned fund balance are amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The board of aldermen is authorized to assign amounts to a specific purpose. Unassigned fund balance is the residual classification and represents fund balance that has not been restricted, committed, or assigned to a specific purpose.

At December 31, 2022, the District has only unassigned fund balance in the General Fund.

H. 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 certain reported amounts of assets and liabilities, disclosures,

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Notes to the Financial Statements

and revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE, AND
ACCOUNTABILITY**

Budget Information

A preliminary General Fund budget for the ensuing year is prepared by the board of commissioners in December of each year on the modified accrual basis of accounting. The budget is then adopted by the board during the regular December meeting. The budget is established and controlled by the board of commissioners at the object level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Encumbrance accounting is not used by the District. All changes in the budget must be approved by the board of commissioners.

Budgeted amounts included in the accompanying financial statements are the original adopted budget amounts. There were no budget amendments.

3. DEPOSITS IN FINANCIAL INSTITUTIONS

At December 31, 2022, the District has cash (book balances) as follows:

| | |
|---------------------------------------|------------------|
| Non-interest bearing checking account | \$169,147 |
| Investments - certificates of deposit | <u>178,902</u> |
| Total | <u>\$348,049</u> |

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. Cash and investments (bank balances) at December 31, 2022, are \$348,640 and are fully secured from risk by federal deposit insurance.

4. RECEIVABLES

The following is a summary of receivables at December 31, 2022:

| | |
|---------------------------------|-------------|
| Property taxes | \$68,589 |
| Allowance for doubtful accounts | <u>NONE</u> |

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Notes to the Financial Statements

Total \$68,589

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2022, is as follows:

| | <u>Balance at January 1, 2022</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance at December 31, 2022</u> |
|---|---|-------------------|------------------|---|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | NONE | \$4,500 | | \$4,500 |
| Construction in progress | NONE | 1,605 | | 1,605 |
| Total capital assets not being depreciated: | <u>NONE</u> | <u>6,105</u> | <u>NONE</u> | <u>6,105</u> |
| Capital assets being depreciated: | | | | |
| Buildings | \$295,761 | | | 295,761 |
| Vehicles | 999,494 | | (\$6,500) | 992,994 |
| Equipment | 354,664 | 22,297 | | 376,961 |
| Total capital assets being depreciated | <u>1,649,919</u> | <u>22,297</u> | <u>(6,500)</u> | <u>1,665,716</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | 117,580 | 7,632 | | 125,212 |
| Vehicles | 575,203 | 44,148 | (6,500) | 612,851 |
| Equipment | 286,260 | 14,663 | | 300,923 |
| Total accumulated depreciation | <u>979,043</u> | <u>66,443</u> | <u>(6,500)</u> | <u>1,038,986</u> |
| Total assets being depreciated, net | <u>\$670,876</u> | <u>(\$44,146)</u> | <u>NONE</u> | <u>\$626,730</u> |
| Total capital assets, net | <u>\$670,876</u> | <u>(\$38,041)</u> | <u>NONE</u> | <u>\$632,835</u> |

Depreciation expense of \$66,443 for the year ended December 31, 2022 was charged to the public safety - fire protection governmental function. Construction in progress consists of surveying and recording expenditures related to the land donation for the proposed Haile Fire Station.

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Notes to the Financial Statements

6. 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.

REQUIRED SUPPLEMENTAL INFORMATION

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

SCHEDULE OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
For the Year Ended December 31, 2022

| | BudgetedAmounts..... | | Actual Amounts (Budgetary Basis - GAAP) | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|-----------------|---|---|
| | <u>Original</u> | <u>Final</u> | | |
| REVENUE | | | | |
| Property taxes | \$68,500 | \$68,500 | \$66,891 | (\$1,609) |
| Intergovernmental revenue: | | | | |
| State - fire insurance rebate | 20,000 | 20,000 | 19,161 | (839) |
| Interest earnings | <u>250</u> | <u>250</u> | <u>508</u> | <u>258</u> |
| Total revenue | <u>88,750</u> | <u>88,750</u> | <u>86,560</u> | <u>(2,190)</u> |
| EXPENDITURES | | | | |
| Public safety - fire protection: | | | | |
| Operating services | 23,350 | 23,350 | 23,357 | (7) |
| Materials and supplies | 10,500 | 10,500 | 5,001 | 5,499 |
| Capital outlay | <u>20,000</u> | <u>20,000</u> | <u>23,902</u> | <u>(3,902)</u> |
| Total expenditures | <u>53,850</u> | <u>53,850</u> | <u>52,260</u> | <u>1,590</u> |
| NET CHANGE IN FUND BALANCE | 34,900 | 34,900 | 34,300 | (600) |
| FUND BALANCE AT BEGINNING OF YEAR | <u>NONE</u> | <u>NONE</u> | <u>308,352</u> | <u>308,352</u> |
| FUND BALANCE AT END OF YEAR | <u>\$34,900</u> | <u>\$34,900</u> | <u>\$342,652</u> | <u>\$307,752</u> |

There were no budget amendments during the year ended December 31, 2022.

See accountant's compilation report.

SUPPLEMENTAL INFORMATION SCHEDULES

See accountant's compilation report.

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended December 31, 2022

**COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD AND
BOARD OF COMMISSIONERS**

The Schedule of Compensation, Benefits, and Other Payments to Agency Head and Board of Commissioners is presented in compliance with Louisiana Revised Statute 24:513 A (3) and House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The board members serve without benefit of compensation.

SCHEDULE OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 2.

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD
AND BOARD OF COMMISSIONERS
For the Year Ended December 31, 2022

BOARD COMPENSATION

| | |
|---|------|
| Agency Head - Virgil Brantley - President | NONE |
| Craig Armstrong | NONE |
| Bill Love | NONE |
| Huey Rhodes | NONE |
| Bill Thurston | NONE |

NORTHEAST UNION FIRE DISTRICT
Marion, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2022

| Finding Number | Fiscal Year Finding Initially Occurred | Description of Finding | Status of Finding |
|-------------------|--|---|-------------------|
| 2021-001 | 2021 | Noncompliance with Local Government Budget Act | Resolved. |

See accountant's compilation report.