

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Annual Financial Statements
December 31, 2020

Webster Parish Fire Protection District No.10
Minden, Louisiana

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Commissioners
Webster Parish Fire Protection District No. 10
Minden, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the Webster Parish Fire Protection District No. 10 ("District"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, 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 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, we do not express such an opinion.

Management's Responsibility 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review 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, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are 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. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are 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.

Supplementary Information

The accompanying Schedule of Compensation Paid Board Members and Schedule of Compensation, Benefits, and Other Payments to Agency Head are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule on page 22 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. Such information is the responsibility of management. We have reviewed that information and based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and accordingly, do not express an opinion on such information.

Management has omitted the Management 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.

Wesley Martin & Co., LLC
Minden, LA
January 12, 2023

BASIC FINANCIAL STATEMENTS

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10

Minden, Louisiana

Statement of Net Position

December 31, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 520,590
Investments	71,382
Prepaid assets	11,457
Receivables	262,038
Cash restricted	2,764
Capital assets (net)	<u>1,142,255</u>
Total assets	<u>2,010,486</u>
LIABILITIES	
Accounts payable	10,607
Interest payable	10,852
Unearned revenue	2,722
Long term liabilities	
Due within one year	95,000
Due in more than one year	<u>1,030,000</u>
Total liabilities	<u>1,149,181</u>
NET POSITION	
Net investment in capital assets	17,255
Unrestricted	<u>844,050</u>
Total net position	<u>\$ 861,305</u>

See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10
Minden, Louisiana

Statement of Activities
For the year ended December 31, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program revenues</u>	<u>Governmental activities</u>
		<u>Operating grants & contributions</u>	<u>Net (expenses)/ revenue</u>
Governmental activities:			
Public safety - fire protection	\$ 231,843	\$ -	\$ (231,843)
Interest expense	<u>33,348</u>	<u>-</u>	<u>(33,348)</u>
Total governmental activities	<u>265,191</u>	<u>-</u>	<u>(265,191)</u>
General revenues:			
Ad valorem taxes			262,520
Fire insurance rebate			14,593
Interest income			<u>818</u>
Total general revenues			<u>277,931</u>
Change in net position			12,740
Net position - beginning			<u>848,565</u>
Net position - ending			<u>\$ 861,305</u>

See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10

Minden, Louisiana

Balance Sheet - Governmental Fund

December 31, 2020

ASSETS

Cash	\$	520,590
Investments		71,382
Prepaid assets		11,457
Receivables		262,038
Cash restricted		<u>2,764</u>
Total assets	\$	<u>868,231</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND FUND BALANCE

LIABILITIES

Accounts payable	\$	10,607
Unearned revenue		<u>2,722</u>
Total liabilities		<u>13,329</u>

DEFERRED INFLOWS OF RESOURCES

Unavailable income		<u>58,617</u>
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FUND BALANCE

Nonspendable - prepaid items		11,457
Unassigned		<u>784,828</u>
TOTAL FUND BALANCE		<u>796,285</u>

TOTAL LIABILITIES, DEFERRED INFLOW OF
RESOURCES, AND FUND BALANCE

	\$	<u>868,231</u>
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See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10
Minden, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Financial Statement of Net Position
December 31, 2020

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

Fund Balance, Total Governmental Fund (Statement C)	\$ 796,285
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.	1,142,255
Deferred revenues are not financial resources and, therefore, are not reported in the governmental fund	58,617
Payables which do not use current financial resources are not reported in the governmental fund	
Bonds payable	\$ 1,125,000
Interest payable	<u>10,852</u>
	<u>(1,135,852)</u>
Net Position of Governmental Activities (Statement A)	<u>\$ 861,305</u>

See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10
Minden, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
For the year ended December 31, 2020

REVENUES	
Ad valorem taxes	\$ 240,132
Intergovernmental	14,593
Interest income	818
Total revenues	<u>255,543</u>
EXPENDITURES	
Current - public safety:	
Utilities	6,322
Office	1,531
Personnel costs	13,639
Commissioner per diem	660
Small tools and supplies	13,188
Insurance	23,176
Fuel	3,172
Repairs and maintenance	11,949
Legal and professional	13,117
Advertising	2,796
Pension	9,548
Debt service:	
Principal	192,000
Interest	42,547
Total expenditures	<u>333,645</u>
Net change in fund balance	(78,102)
Fund balance - beginning	<u>874,387</u>
Fund balance - ending	<u>\$ 796,285</u>

See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10
Minden, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund to the
Statement of Activities
For the Year Ended December 31, 2020

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

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ (78,102)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(132,744)
The repayment of the principal of long-term debt consumes current financial resources of governmental funds. These transactions have no effect on net position.	192,000
Some revenues reported in the Statement of Activities are not available as current financial resources and, therefore, are not reported as revenue in governmental fund.	22,388
Other expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as an expenditure in the governmental fund.	<u>9,198</u>
Change in Net Position of Governmental Activities (Statement B)	<u>\$ 12,740</u>

See accompanying notes and accountants' report.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Webster Parish Fire Protection District No. 10 (the District) was created by resolution of the Webster Parish Police Jury in 1990. The District board consists of five members. Two members are appointed by the Webster Parish Police Jury, two members are appointed by the City of Minden and the fifth member is appointed by the other four members and is the chairman of the District.

The accompanying basic 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 significant accounting policies used by the District are discussed below.

A. REPORTING ENTITY

Governmental Accounting Standards Board (GASB) statements establish criteria for determining the governmental reporting entity and component units which should be included within the reporting entity. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Oversight responsibility is determined on the basis of appointment of governing body, ability to significantly influence operations, accountability for fiscal matters, and the nature and significance of an organization's relationship with the primary government.

Based on the foregoing criteria, the District is deemed a separate reporting entity and the District has determined that there are no component units that are part of the reporting entity. These financial statements include only information pertaining to all funds of the District.

B. BASIC FINANCIAL STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District's General fund is classified as governmental activities. The District has no business-type activities.

Government-wide financial statements

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis by column and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are supported by general government revenues (property taxes and intergovernmental revenues such as fire insurance rebates.) The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, operating and capital grants, which must be directly associated with the public safety function.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

Fiduciary funds are not included in the government-wide financial statements. The District has no fiduciary activities.

Program revenues Program revenues included in the Statement of Activities 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. The District does not have any program revenues.

Allocation of indirect expenses The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Separate financial statements are provided for governmental funds. The major individual governmental fund, which is the General fund, is reported in the fund financial statements.

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The emphasis in fund financial statements is on the major funds in the governmental and business-type activities categories. Nonmajor funds by category are summarized into a single column.

The District only uses governmental fund types.

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The District reports the following governmental fund which is also a major fund:

- General fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

C. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which it is levied. Other nonexchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other revenues are recognized when earned, and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., 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 30 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on general obligation long-term debt, which are recognized when due and payable.

Revenues

- Ad valorem taxes (property) are recorded in the year they are assessed. Property taxes are assessed on a calendar-year basis and become due on the date November 15 of each year and become delinquent on December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Property taxes and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

D. CASH AND INVESTMENTS

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

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

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

The District has not formally adopted deposit and investment policies that limit the government's allowable deposits or investments or address the specific types of risk to which the government is exposed.

E. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

F. CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in governmental activities 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 acquisition value at the date of donation. The District maintains a threshold level of \$2,500 or more for capitalizing capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

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
Machinery and equipment	10 years
Vehicles	5-15 years

G. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents 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. The District has no items that qualify for reporting in this category.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applied to future period(s) and so will not be recognized

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

as an inflow of resources (revenues) until that time. The District has one item that qualifies for reporting in this category.

The governmental funds balance sheet reports unavailable revenues from amounts which are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

H. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt is reported as liabilities in the governmental activities Statement of Net Position. Bond premium and discounts, as well as issuance costs related to prepaid insurance, are deferred and amortized over the life of the bonds using the straight-line method.

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at issuance, except for those related to prepaid insurance, which are recorded as prepaids in the Statement of Net Position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payment of principal and interest are reported as debt service expenditures.

G. RESTRICTED NET POSITION

For the government-wide Statement of Net Position, net position is reported as restricted if either of the following conditions exists:

- Restrictions are externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments.
- Restrictions are imposed by law through constitutional provision or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources when expenses are incurred for purpose for which both restricted and unrestricted net position are available.

H. Fund Equity of Fund Financial Statements

The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used. In the fund financial statements, fund balances are classified as follows:

- a. Nonspendable fund balance - amounts that are not in a spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

- b. 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.
- c. Committed fund balance - amounts constrained to specific purposes determined by the Board of Commissioners, the District's highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint. The Board establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution.
- d. Assigned fund balance - amounts that the District 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. The District's policy does not address assignment of fund balance. Assigned fund balance is established by Board of Commissioners through adoption or amendment of the budget as intended for specific purpose.
- e. Unassigned fund balance - amounts that are available for any purpose, positive amounts are reported only in the General fund. The District has not adopted a policy to maintain the General fund's unassigned fund balance above a certain minimum level.

The District reduces committed amounts, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used. The District considers restricted amounts to have been spent when an expenditure has been incurred for purposes for which both restricted and unrestricted fund balance are available.

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

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

2. BUDGETS

The District uses the following budget practices:

- A. The District prepares a proposed budget and submits it to the Board of Commissioners no later than fifteen days prior to the beginning of each fiscal year.
- B. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection (if required). At the same time, a public hearing is called.
- C. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- D. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted by the Board of Commissioners prior to the commencement of the fiscal year for which the budget is being adopted.
- E. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures which results from revenues exceeding amounts estimated require the approval of the board of commissioners.
- F. Budgetary appropriations lapse at the end of the fiscal year.
- G. The budget for the General fund was adopted on a cash basis.

The revenues and expenditures shown on page 8 are reconciled with the amounts reflected on the budget comparison on page 22 as follows:

	<u>General fund</u>
Excess of revenues over expenditures, GAAP Basis	\$ (78,102)
To adjust for receivables	16,400
To adjust for payables	(1,407)
To adjust for prepaid	(186)
To adjust for deferred inflows	<u>22,389</u>
Excess of revenues over expenditures, Cash Basis	\$ <u>(40,906)</u>

The General fund had actual expenditures over budgeted expenditures for the year ended December 31, 2020:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General fund	\$ 328,275	\$ 335,237	\$ (6,962)

Webster Parish Fire Protection District No. 10
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Notes to Financial Statements
As of and for the year ended December 31, 2020

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

On December 31, 2020, the District had cash and cash equivalents (book balances) totaling \$523,354. The cash is reported as follows:

Cash	\$ 520,590
Restricted cash	<u>2,764</u>
Total	<u>\$ 523,354</u>

On December 31, 2020, the District has investments in certificates of deposit totaling \$71,382.

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 pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal bank in a holding or custodial bank that is mutually acceptable to both parties.

On December 31, 2020, the District had \$594,736 in collected bank balances. The deposits are secured by risk by \$250,000 of federal deposit insurance and \$396,738 of pledged securities, held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

4. LEVIED TAXES

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 2020:

	2020
	Levied
District taxes:	<u>Millage</u>
Operations and Maintenance	5.00
Bond	5.00
 Taxable property valuation	 \$ 26,467,336

5. RECEIVABLES

The General fund receivables of \$262,038 as of December 31, 2020, consist solely of ad valorem taxes.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

6. CAPITAL ASSES

Capital assets and depreciation activity as of and for the year ended December 31, 2020, for the District is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental Activities:</u>				
Capital assets being depreciated:				
Buildings	\$ 182,026	\$ -	\$ -	\$ 182,026
Machinery and equipment	263,589	-	-	263,589
Vehicles	<u>1,894,055</u>	-	-	<u>1,894,055</u>
Total capital assets being depreciated	<u>2,339,670</u>	-	-	<u>2,339,670</u>
Less accumulated depreciation for:				
Buildings	(140,931)	(4,798)	-	(145,729)
Machinery and equipment	(214,315)	(9,735)	-	(224,050)
Vehicles	<u>(709,425)</u>	<u>(118,211)</u>	-	<u>(827,636)</u>
Total accumulated depreciation	<u>(1,064,671)</u>	<u>(132,744)</u>	-	<u>(1,197,415)</u>
Total capital assets being depreciated, net	<u>\$1,274,999</u>	<u>\$ (132,744)</u>	<u>\$ -</u>	<u>\$1,142,255</u>

Depreciation expense of \$132,744 was charged to the public safety function.

7. ACCOUNTS PAYABLE

The accounts payables on December 31, 2020, are made of the following:

Accounts payable	\$ 1,059
Pension payable	<u>9,548</u>
Total	<u>\$ 10,607</u>

8. UNEARNED REVENUES

The District had unearned revenues of \$2,722 on December 31, 2020, which represents property taxes paid to the District which have been protested by the taxpayer. These amounts are recognized as revenues or returned to the taxpayer, depending on the outcome of the protest.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

9. LONG-TERM OBLIGATIONS

The following is a summary of the change in long-term debt for the year ended December 31, 2020:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
Certificates of indebtedness,					
Series 2013	\$ 102,000	\$ -	\$ 102,000	\$ -	\$ -
General obligation bonds,					
Series 2015	<u>1,215,000</u>	<u>-</u>	<u>90,000</u>	<u>1,125,000</u>	<u>95,000</u>
Total	<u>\$ 1,317,000</u>	<u>\$ -</u>	<u>\$ 192,000</u>	<u>\$ 1,125,000</u>	<u>\$ 95,000</u>

On June 6, 2013, the District issued \$190,000 of 7-year general obligation bonds. Interest on the bonds is payable semiannually on March 1st and September 1st of each year, commencing September 1, 2013, by check mailed to the registered owner. Interest is variable between 2.75% and 4.25%.

On April 23, 2015, the District issued \$1,500,000 of 15-year general obligation bonds. The principal of the bond is payable at Patterson State Bank as the paying agent. Interest on the bonds is payable semiannually on March 1st and September 1st of each year. Interest of the bonds is 2.87%.

The bonds are secured by and payable from ad valorem taxation. The bonds being issued are for the purpose of acquiring, constructing, and improving buildings, machinery, and equipment, including fire trucks, to be used in giving fire protection to the property in the District, title to which shall be in the public.

Total interest expense paid on long-term debt as of December 31, 2020, was \$33,348. The annual requirements to amortize bonds outstanding as of December 31, 2020, including interest payments of \$170,263 are as follows:

<u>Year ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 95,000	\$ 30,924	\$ 125,924
2022	100,000	28,126	128,126
2023	105,000	25,184	130,184
2024	105,000	22,171	127,171
2025	110,000	19,086	129,086
2026-2030	<u>610,000</u>	<u>44,772</u>	<u>654,772</u>
Total	<u>\$ 1,125,000</u>	<u>\$ 170,263</u>	<u>\$ 1,295,263</u>

10. LITIGATION AND CLAIMS

On December 31, 2020, there was no litigation pending against the District.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Notes to Financial Statements
As of and for the year ended December 31, 2020

11. PENSION PLANS

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

12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To manage such risk of loss, the District maintains commercial insurance policies covering each of these risks of loss. The District believes such coverage is sufficient to preclude any significant uninsured losses to the District. During the past three years, no claims were paid on any of the policies which exceeded the policies' coverage amounts.

13. SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 12, 2023. This date represents that date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10
Minden, Louisiana

General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		(Cash)	Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget Over (Under)</u>
REVENUES				
Ad valorem taxes	\$ 260,000	\$ 260,000	\$ 278,920	\$ 18,920
Intergovernmental -				-
Fire insurance rebate	15,000	15,000	14,593	(407)
Interest	500	400	818	418
Donations	500	-	-	-
Other income	500	-	-	-
Total revenues	<u>276,500</u>	<u>275,400</u>	<u>294,331</u>	<u>18,931</u>
EXPENDITURES				
Current - public safety:				
Utilities	8,500	6,300	7,199	(899)
Office	2,000	2,000	1,531	469
Personnel costs	16,800	14,300	13,639	661
Commissioner per diem	1,000	675	660	15
Small tools and supplies	10,000	13,500	13,188	312
Insurance	27,500	23,500	23,362	138
Fuel	5,000	3,200	3,172	28
Repairs and maintenance	20,000	12,500	11,949	551
Legal and accounting	10,000	13,500	13,116	384
Advertising	1,500	2,800	2,796	4
Pension expense	-	-	10,078	(10,078)
Debt service:				
Bond interest & principal	130,000	125,000	234,547	(109,547)
Capital outlay	<u>325,000</u>	<u>111,000</u>	<u>-</u>	<u>111,000</u>
Total expenditures	<u>557,300</u>	<u>328,275</u>	<u>335,237</u>	<u>(6,962)</u>
Excess (deficiency) of revenues over expenditures	(280,800)	(52,875)	(40,906)	11,969
Fund balance - beginning	<u>632,920</u>	<u>632,920</u>	<u>632,920</u>	<u>-</u>
Fund balance - ending	<u>\$ 352,120</u>	<u>\$ 580,045</u>	<u>\$ 592,014</u>	<u>\$ 11,969</u>

SUPPLEMENTARY INFORMATION

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2020

The District paid the following amounts as compensation to the Board of Commissioners:

Fred Stewart	President	\$ 150
Daniel Davidson	Secretary/Treasurer	150
Kevin Dooley	Commissioner	135
Mark Griffith	Commissioner	60
Ben Gorman	Commissioner	<u>165</u>
		\$ <u>660</u>

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2020

Agency Head: Russell Poole, Fire Chief

Compensation	\$4,800
Calls/training pay	1,290

OTHER REPORT

WISE, MARTIN & COLE, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

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MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Webster Parish Fire Protection District No. 10
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the Webster Parish Fire Protection District No. 10 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 year fiscal year ended December 31, 2020, 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 the procedures is solely the responsibility of the specified parties. Consequently, we 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 material and supplies exceeding \$30,000, or public works exceeding the applicable limit. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 39:1551-39:1775 (the state procurement code), R.S. 38:2211-2296 (the public bid law), or the regulations of the Division of Administration and the State Purchasing Office, whichever is applicable; and report whether the expenditures were made in accordance with these laws.

We observed no expenditures made during the year for materials and supplies exceeding \$30,000 or public works exceeding the applicable limit that would be subject to the provisions of R.S. 38:2211-2296.

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 LSA-RS 42:1101-1124 (the ethics law).

Management provided us with the required lists for all board members.

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

This procedure does not apply since the District has no employees.

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

This procedure does not apply since the District has no employees.

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

Management provided the requested information. No exceptions noted.

Budgeting

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

Management provided us with a copy of the original budget. Management represented that there was an amendment made 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.

We traced adoption of the original budget to documentation in the minutes of the meeting of the District's board held on January 9, 2020. We traced amendment of the original budget to documentation in the minutes of the meeting held January 21, 2021.

Exception: The original budget was not adopted before the beginning of the fiscal year.

Management response: The District will take steps to ensure that the budget is adopted before the year begins.

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.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures did not exceed the 5% limit.

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 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.

Each of the six selected 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.

Payments received approval from proper authorities.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:2 (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 fire station. Although management has asserted that such documents were properly posted, no evidence was provided to support management's assertion other than an unmarked copy of the notices and agendas.

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.

We scanned copies of all bank deposits for the period 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, advance, or gifts.

This procedure does not apply since the District has no employees.

State Audit Law

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

Exception: Report not issued timely.

Management response: The District is aware of the financial filing requirement and will in the future work to ensure records are available in accordance with the CPA engagement.

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 has been on the noncompliance list since 07/01/2021 due to delay in submitting its report to the Louisiana Legislative Auditor for 2020. Management represented that the District entered into no contracts during the fiscal year that was subject to public bid law.

Prior Year Comments

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

The prior year report dated January 11, 2023, includes one finding related to late filing which is not considered resolved and repeated as a current year finding.

The prior year report on agreed upon procedures dated January 11, 2023, included exceptions related to budgeting. In the current year, the exception related to adopting the budget was repeated.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accounts, and the standards applicable to attestation engagement contained in *Government Auditing Standards*, issued by the United States Comptroller General. We were 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, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our 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 Statutes 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.

Wesi, Martin $\frac{1}{2}$ Cole LLC

Minden, Louisiana
January 12, 2023

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

12/9/2021 (Date Transmitted)

Wike, Martin & Cook, LLC (CPA Firm Name)

601 Main St. (CPA Firm Address)

Minden, LA 71055 (City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12/31/2020 (date) 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

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 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 [] No [] N/A []

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 [] No [] N/A []

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 [] No [] N/A []

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

<u><i>BL</i></u>	Secretary	<u>12/9/2021</u>	Date
<u><i>BL</i></u>	Treasurer	<u>12/9/2021</u>	Date
<u><i>Frank Stewart</i></u>	President	<u>12-9-2021</u>	Date

SCHEDULES FOR LOUISIANA LEGISLATIVE AUDITOR

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Schedule of Prior Year Findings
As of and for the Year Ended December 31, 2020

2019-1 Late Filing

Finding: The annual report was not filed with the Legislative Auditor within 6 months of year end.

Current status: Not resolved, see current year finding, 2020-1.

Webster Parish Fire Protection District No. 10
Minden, Louisiana

Schedule of Current Year Findings
As of and for the Year Ended December 31, 2020

2020-1 – Late filing

Criteria The audit law (Louisiana Revised Statute (R.S.) 24:513 and 24:514) establishes the due dates of local auditee reports: Audit, review/attestation, and compilation reports are due to the Louisiana Legislative Auditor (LLA) no later than six months after the local auditee's fiscal year end.

Condition: The review/attestation was not filed with the Legislative Auditor within 6 months of year end.

Cause: Records were not given to CPA in time to complete within 6 months.

Effect: The District is not in compliance with state law.

Recommendation: Information should be made available to allow timely reporting.

Management response: The Fire District is aware of the financial filing requirement and will in the future work to ensure records are available in accordance with CPA engagement letter.