

Webster Parish Fire Protection District No. 10  
Minden, Louisiana

Annual Financial Statements  
December 31, 2018

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, 2018, 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.

*Wise, Martin & Cole, LLC*

Minden, LA  
December 7, 2022

## **BASIC FINANCIAL STATEMENTS**

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10**  
Minden, Louisiana

Statement of Net Position  
December 31, 2018

	Governmental Activities
<b>ASSETS</b>	
Cash	\$ 484,098
Investments	70,587
Prepaid assets	12,530
Receivables	262,856
Cash restricted	2,755
Capital assets (net)	1,412,428
Total assets	2,245,254
 <b>LIABILITIES</b>	
Accounts payable	10,966
Interest payable	19,064
Unearned revenue	2,722
Long term liabilities	
Due within one year	162,000
Due in more than one year	1,245,000
Total liabilities	1,439,752
 <b>NET POSITION</b>	
Net investment in capital assets	5,428
Unrestricted	800,074
 Total net position	 \$ 805,502

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10**  
Minden, Louisiana

Statement of Activities  
For the year ended December 31, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program revenues</u> <u>Operating grants &amp; contributions</u>	<u>Governmental activities</u> <u>Net (expenses)/ revenue</u>
Governmental activities:			
Public safety - fire protection	\$ 238,505	\$ -	\$ (238,505)
Interest expense	40,701	-	(40,701)
Total governmental activities	<u>279,206</u>	<u>-</u>	<u>(279,206)</u>
General revenues:			
Ad valorem taxes			272,027
Fire insurance rebate			14,875
Interest income			395
Total general revenues			<u>287,297</u>
Change in net position			8,091
Net position - beginning, as originally stated			814,447
Prior period adjustment			(17,036)
Net position - beginning, as restated			<u>797,411</u>
Net position - ending			<u>\$ 805,502</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10**  
Minden, Louisiana

Balance Sheet - Governmental Fund  
December 31, 2018

<b>ASSETS</b>	
Cash	\$ 484,098
Investments	70,587
Prepaid assets	12,530
Receivables	262,856
Cash restricted - protest taxes	<u>2,755</u>
Total assets	<u>\$ 832,826</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 10,966
Unearned revenue	<u>2,722</u>
Total liabilities	<u>13,688</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable income	<u>114,760</u>
 <b>FUND BALANCE</b>	
Nonspendable - prepaid items	12,530
Unassigned	<u>691,848</u>
Total fund balance	<u>704,378</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	 <u>\$ 832,826</u>

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, 2018

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

Fund Balance, Total Governmental Fund (Statement C)		\$ 704,378
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund		1,412,428
Deferred revenues are not financial resources and, therefore, are not reported in the governmental fund		114,760
Payables which do not use current financial resources are not reported in the governmental fund		
Bonds payable	\$ 1,407,000	
Interest payable	<u>19,064</u>	<u>(1,426,064)</u>
Net Position of Governmental Activities (Statement A)		<u>\$ 805,502</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10**  
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Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Fund  
For the year ended December 31, 2018

REVENUES	
Ad valorem taxes	\$ 204,817
Intergovernmental	14,875
Interest income	<u>395</u>
Total revenues	<u>220,087</u>
EXPENDITURES	
Current - public safety:	
Utilities	8,520
Office	1,802
Personnel costs	14,929
Commissioner per diem	510
Small tools and supplies	5,929
Insurance	25,477
Fuel	3,515
Repairs and maintenance	25,789
Legal and professional	2,400
Pension	10,003
Debt service:	
Principal	91,000
Interest	<u>38,673</u>
Total expenditures	<u>228,547</u>
Net change in fund balance	(8,460)
Fund balance - beginning	<u>712,838</u>
Fund balance - ending	<u>\$ 704,378</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 10**  
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Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund to the  
Statement of Activities  
For the Year Ended December 31, 2018

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

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ (8,460)
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.	(139,631)
The repayment of the principal of long-term debt consumes current financial resources of governmental funds. These transactions have no effect on net position.	91,000
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.	67,210
Other expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditure in the governmental fund.	<u>(2,028)</u>
Change in Net Position of Governmental Activities (Statement B)	<u>\$ 8,091</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, 2018

**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  
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Notes to Financial Statements  
As of and for the year ended December 31, 2018

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  
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Notes to Financial Statements  
As of and for the year ended December 31, 2018

**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  
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Notes to Financial Statements  
As of and for the year ended December 31, 2018

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, 2018

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:



Webster Parish Fire Protection District No. 10  
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Notes to Financial Statements  
As of and for the year ended December 31, 2018

- 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.
- 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  
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Notes to Financial Statements  
As of and for the year ended December 31, 2018

**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	\$ (8,460)
To adjust for receivables	2,377
To adjust for payables	(976)
To adjust for prepaid	(72)
To adjust for deferred inflows	<u>67,210</u>
Excess of revenues over expenditures, Cash Basis	\$ <u>60,079</u>

The General fund had actual expenditures over budgeted expenditures for the year ended December 31, 2018:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General fund	\$220,610	\$229,595	\$ (8,985)

Webster Parish Fire Protection District No. 10  
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Notes to Financial Statements  
As of and for the year ended December 31, 2018

**3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

On December 31, 2018, the District had cash and cash equivalents (book balances) totaling \$486,853. The cash is reported as follows:

Cash	\$ 484,098
Restricted cash	<u>2,755</u>
Total	\$ <u>486,853</u>

On December 31, 2018, the District has investments in certificates of deposit totaling \$70,587.

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, 2018, the District had \$557,440 in collected bank balances. The deposits are secured by risk by \$323,279 of federal deposit insurance and \$411,204 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, 2018:

	2018
	Levied
District taxes:	<u>Millage</u>
Operations and Maintenance	5.51
Bond	6.00
Taxable property valuation	\$ 23,734,281

**5. RECEIVABLES**

The General fund receivables of \$262,856 as of December 31, 2018, consist solely of ad valorem taxes.

Webster Parish Fire Protection District No. 10  
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Notes to Financial Statements  
As of and for the year ended December 31, 2018

**6. CAPITAL ASSES**

Capital assets and depreciation activity as of and for the year ended December 31, 2018, for the District is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b><u>Governmental Activities:</u></b>				
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	(128,795)	(6,068)	-	(134,863)
Machinery and equipment	(185,813)	(15,352)	-	(201,165)
Vehicles	<u>(473,003)</u>	<u>(118,211)</u>	-	<u>(591,214)</u>
Total accumulated depreciation	<u>(787,611)</u>	<u>(139,631)</u>	-	<u>(927,242)</u>
Total capital assets being depreciated, net	<u>\$1,552,059</u>	<u>\$ (139,631)</u>	<u>\$ -</u>	<u>\$1,412,428</u>

Depreciation expense of \$139,631 was charged to the public safety function.

**7. ACCOUNTS PAYABLE**

The accounts payables on December 31, 2018, are made of the following:

Accounts payable	\$ 962
Pension payable	<u>10,004</u>
Total	<u>\$ 10,966</u>

**8. UNEARNED REVENUES**

The District had unearned revenues of \$2,722 on December 31, 2018, 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, 2018

**9. LONG-TERM OBLIGATIONS**

The following is a summary of the change in long-term debt for the year ended December 31, 2018:

	<u>Beginning</u> <u>balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>balance</u>	<u>Due within</u> <u>one year</u>
Governmental activities:					
Certificates of indebtedness, Series 2013	\$ 108,000	\$ -	\$ 6,000	\$ 102,000	\$ 72,000
General obligation bonds, Series 2015	<u>1,390,000</u>	<u>-</u>	<u>85,000</u>	<u>1,305,000</u>	<u>90,000</u>
Total	<u>\$1,498,000</u>	<u>\$ -</u>	<u>\$91,000</u>	<u>\$1,407,000</u>	<u>\$162,000</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%. The bonds are in the denomination of \$5,000 each, or any integral multiple thereof within a single maturity, in fully registered form.

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, 2018, was \$38,673. The annual requirements to amortize bonds outstanding as of December 31, 2018, including interest payments of \$242,496 are as follows:

<u>Year ending</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 119,000	\$ 38,017	\$ 157,017
2020	163,000	34,217	197,217
2021	95,000	30,924	125,924
2022	100,000	28,126	128,126
2023	105,000	25,184	130,184
2024-2028	570,000	78,638	648,638
2029-2030	<u>255,000</u>	<u>7,390</u>	<u>262,390</u>
Total	<u>\$ 1,407,000</u>	<u>\$ 242,496</u>	<u>\$ 1,649,496</u>

**10. LITIGATION AND CLAIMS**

On December 31, 2018, 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, 2018

**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. PRIOR PERIOD ADJUSTMENT**

The beginning net position of government wide statements was restated by \$17,036. The restatement was made to correct net position by recognizing interest payable owed on long-term debt that was not previously recorded.

Net position, beginning of year, as previously stated:	\$ 814,447
Decrease due to correction to recognize additional interest expense in the prior year	<u>(17,036)</u>
Net position, beginning of year, as restated	\$ <u>797,411</u>

**14. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through December 7, 2022. 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, 2018

	<u>Budgeted Amounts</u>		(Cash)	Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u> <u>Positive (negative)</u>
<b>REVENUES</b>				
Ad valorem taxes	\$ 300,000	\$ 285,000	\$ 274,404	\$ (10,596)
Intergovernmental -				
Fire insurance rebate	16,500	15,000	14,875	(125)
Interest	500	325	395	70
Donations	500	-	-	-
Other Income	500	-	-	-
Total revenues	<u>318,000</u>	<u>300,325</u>	<u>289,674</u>	<u>(10,651)</u>
<b>EXPENDITURES</b>				
Public safety:				
Utilities	7,500	8,500	8,412	88
Office	2,500	2,100	2,080	20
Personnel costs	16,800	15,000	14,929	71
Commissioner per diem	1,000	510	510	-
Small tools and supplies	20,000	6,000	5,985	15
Insurance	27,500	26,000	25,549	451
Fuel	5,000	3,600	3,514	86
Repairs and maintenance	20,000	26,500	26,417	83
Legal and accounting	1,000	2,400	2,400	-
Advertising	1,000	-	-	-
Pension	-	-	10,126	(10,126)
Debt service:				
Bond principal and interest	<u>125,000</u>	<u>130,000</u>	<u>129,673</u>	<u>327</u>
Total expenditures	<u>227,300</u>	<u>220,610</u>	<u>229,595</u>	<u>(8,985)</u>
Excess (deficiency) of revenues over expenditures	90,700	79,715	60,079	(19,636)
Fund balance at beginning of year	<u>494,639</u>	<u>494,639</u>	<u>494,639</u>	<u>-</u>
Fund balance at end of year	<u>\$ 585,339</u>	<u>\$ 574,354</u>	<u>\$ 554,718</u>	<u>\$ (19,636)</u>



**SUPPLEMENTARY INFORMATION**

Webster Parish Fire Protection District No. 10  
Minden, Louisiana

Schedule of Compensation Paid Board Members  
For the Year Ended December 31, 2018

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

Fred Stewart	President	\$ 120
Daniel Davidson	Secretary/Treasurer	90
Mark Griffith	Commissioner	165
Kevin Dooley	Commissioner	<u>135</u>
		\$ <u>510</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, 2018

Agency Head: Russell Poole, Fire Chief

Compensation	\$4,800
Calls/training pay	1,485
Dues	5

**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, 2018, 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. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2296 (the public bid law).

*For the year ended December 31, 2018, we noted no expenditures exceeding \$30,000 for materials and supplies or for public works exceeding \$150,000.*

***Code of Ethics for Public Officials and Public Employees***

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

*Management provided us with the requested information.*

3. Obtain from management a listing of all employees paid during the period under examination.

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

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

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

## ***Budgeting***

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

*Management provided us with a copy of the original budget and amended budget for December 31, 2018.*

6. Trace the budget adoption and amendments to the minute book.

*We traced the adoption of the original budget to the minutes of the meeting held December 14, 2017. Management provided a tape recording of the January 10, 2019 meeting where the 2018 budget was amended.*

***Exception:*** *While management amended the 2018 budget, however, we found no mention in the minutes.*

***Management response:*** *The board amends each budget at the end of the fiscal year to ensure that the final budget is within 5% of the actual income/expenditures. This is done in public meeting, and we are not sure why this was omitted from the minutes. In the future, management will ensure that the amended budget is well documented in the meeting minutes and that the amended budget is attached to the minutes.*

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

*We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted amounts by more than 5%. Actual expenditure did not exceed budgeted amounts by more than 5%.*

## ***Accounting and Reporting***

8. Randomly select six disbursements from each fund made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee.

*We examined supporting documentation for the six selected disbursements.*

- *One of the six transactions did not have a supporting invoice.*
- *One of the six transactions did not agree with the amount per supporting documentation. The amount paid was \$588, while the support showed the payment was supposed to be \$600.*

***Management response:*** *(A) When we used Comdata Universal Mastercard as our fuel card provider, we had to print these statements from an online portal. Since we do not have internet at the fire station, we had to print these prior to the meeting. It is likely that either the board member that usually printed it was absent for that meeting or they forgot to print it and bring it. The bill was paid from the digital copy that they had access to via their phone. We had intent to print it and put it in the folder at a future meeting, but it appears that it did not happen. The fire district no longer uses this service but will ensure in the future that any invoices or statements that are delivered digitally are printed and placed with the check stub. (B) The check to*

*volunteer fireman was for his end of the year pay which is based on the number of calls and training events that he attended. After the report was presented for payment, we found that his points were off by 1, which equaled \$12. Because of this, his check was reduced by \$12, making it \$588. In the future, the board will make sure that if any modifications are made to the pay sheet after it has been printed, it will be updated and re-printed to be attached to the check stubs.*

(b) determine if payments were properly coded to the correct fund and general ledger account.

*All payments were properly coded to the correct fund and general ledger account.*

(c) determine whether payments received approval from proper authorities.

*Payments received approval from proper authorities.*

### **Meetings**

9. Examine evidence indicating 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).

*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 copies of the notices and agendas.*

### **Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

*We examined all bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.*

### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advance, or gifts.

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

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.

*Wesley Martin & Cole, LLC*

Minden, Louisiana  
December 7, 2022



LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

6/11/2020 (Date Transmitted)

Wise Martin's Cafe LLC  
601 Main Street  
Minden LA 71055

(Auditors)

In connection with your review of our financial statements as of [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. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes  No

**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

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

**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

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

Yes  No

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

Yes  No

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

**Meetings**

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

Yes  No

**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

**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

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

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

<u>W. Gabriel Peters</u>	Secretary	<u>6/11/20</u>	Date
<u>W. Conrad Peters</u>	Treasurer	<u>6/11/20</u>	Date
<u>Rand J. Stewart</u>	President	<u>6/11/20</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, 2018

**2017-1 Significant Deficiency in Internal Control over Financial Reporting and Segregation of Duties**

**Finding:** District has not established internal controls over financial reporting. As is common in small organizations, management has chosen to engage the reviewer to propose certain year-end adjusting entries and to prepare their annual financial statements. This condition is intentional by management based upon the District's financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. In relation to this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls.

**Current Status:** Resolved.

**2017-02 Late filing**

**Finding:** The compilation was not filed with the Legislative Auditor within 6 months of year-end.

**Current Status:** Not resolved, see current year finding, 2018-1

Webster Parish Fire Protection District No. 10  
Minden, Louisiana

Schedule of Current Year Findings  
As of and for the Year Ended December 31, 2018

**2018-1 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:** Engagement letter and records should be turned over by May 1st after year-end in accordance with signed engagement letter.

**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 letter.