

**Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Financial Statements with Auditors' Report
As of and For the Year Ended December 31, 2020**

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana

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Independent Accountants' Review Report

To the Board of Commissioners
Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Webster Parish Fire Protection District No. 8, a component unit of the Webster Parish Police Jury, 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 of the Webster Parish Fire Protection District No. 8. 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 AICPA. 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.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 18-19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the

basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it.

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

Supplementary Information

The supplementary information included in the accompanying Schedule of Per Diem Paid Commissioners and Schedule of Compensation, Benefits, and Other Payments to Agency Head on pages 20–21 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion it.

A handwritten signature in black ink, appearing to read "Cook & Morehart", with a long horizontal flourish extending to the right.

Cook & Morehart
Certified Public Accountants
June 25, 2021

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Statement of Net Position
 December 31, 2020

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 412,392
Accounts receivable - ad valorem taxes	294,949
Capital assets:	
Land	22,000
Other capital assets, net of accumulated depreciation	894,553
Total assets	1,623,894
LIABILITIES	
Accounts payable and accrued expenses	15,292
Long-term liabilities:	
Due within one year	39,808
Due in more than one year	384,504
Total liabilities	439,604
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue- ad valorem taxes	294,949
NET POSITION	
Net investment in capital assets	492,241
Unrestricted	397,100
Total net position	\$ 889,341

See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Statement of Activities
 For the Year Ended December 31, 2020

GOVERNMENTAL ACTIVITIES

Expenses:

Interest on long term-term debt	\$ 17,981
Public Safety - fire protection	296,109
Total expenses	314,090

General revenues:

Ad valorem taxes	281,364
Fire insurance rebate	6,761
Interest Income	545
Other income	2,569
Total general revenues	291,239

Change in net position	(22,851)
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Net position - beginning	912,192
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Net position - ending	\$ 889,341
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See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Balance Sheet
 Governmental Fund
 December 31, 2020

	<u>General Fund</u>
Assets	
Cash	\$ 412,392
Accounts receivable- ad valorem taxes	<u>294,949</u>
Total assets	<u><u>\$ 707,341</u></u>
Liabilities	
Accounts payable	\$ 529
Total liabilities	<u>529</u>
Deferred inflows of resources	
Unavailable revenue	
Ad valorem taxes	<u>294,949</u>
Total deferred inflows of resources	<u>294,949</u>
Fund balance	
Unassigned	<u>411,863</u>
Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 707,341</u></u>

See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Reconciliation of the Balance Sheet of the Governmental Fund
 to the Statement of Net Position
 December 31, 2020

Fund balance - total governmental fund	\$	411,863
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund.</p>		916,553
<p>Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the governmental fund:</p>		
Capital lease payable		(424,312)
Accrued interest payable		(14,763)
		(439,075)
Net position of governmental activities	\$	889,341

See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
For the Year Ended December 31, 2020

	General Fund
Revenues	
Ad valorem taxes	\$ 281,364
Intergovernmental revenue:	
Fire insurance rebate	6,761
Interest income	545
Miscellaneous	2,569
Total revenues	291,239
Expenditures	
Current - public safety - fire protection	186,228
Capital outlay	36,987
Debt service	
Principal	38,213
Interest	19,310
Total expenditures	280,738
Change in fund balance	10,501
Fund balance at beginning of year	401,362
Fund balance at end of year	\$ 411,863

See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balance of Governmental Fund to the Statement of Activities
 For the Year Ended December 31, 2020

Net change in fund balance - total governmental fund	\$	10,501
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>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 \$109,881 exceeds capital outlay \$36,987 in the current period.</p>		(72,894)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction has any effect on net position.</p>		
Principal payments on long-term debt		38,213
<p>Interest on long-term debt in statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, however, interest expense is recognized as the interest accrues in the statement of net assets.</p>		1,329
Change in net position of governmental activities	<u>\$</u>	<u>(22,851)</u>

See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Notes to Financial Statements
December 31, 2020

INTRODUCTION

The Webster Parish Fire Protection District No. 8 (the District) was created by the Webster Parish Police Jury in 1988 by ordinance as provided under Louisiana Revised Statutes 40:1492, to purchase and maintain fire equipment and to provide fire protection for the people of Webster Parish Fire Protection District No. 8. The District is governed by a board of commissioners consisting of 5 members: 2 members are appointed by the Webster Parish Police Jury; 2 members are appointed by the Town of Cotton Valley; and one member, who is the chairman, is appointed by the other 4 board members. Members serve two year terms.

(1) Summary of Significant Accounting Policies

The Webster Parish Fire Protection District No. 8's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Webster Parish Fire Protection District No. 8 are discussed below.

A. Reporting Entity

Because the Webster Parish Police Jury appoints two members of the governing board and because the District operates within the geographical boundaries of Webster Parish, The District was determined to be a component unit of the Webster Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. This report includes only funds which are maintained by the District and does not present information on the Webster Parish Police Jury, the general government service provided by that governmental unit, or the other governmental units that comprise the Police Jury.

B. Basic Financial Statements – Government-Wide Statements

The Webster Parish Fire Protection District No. 8's basic financial statements include both government-wide (reporting the funds maintained by the Webster Parish Fire Protection District No. 8 as a whole) and fund financial statements (reporting the Webster Parish Fire Protection District No. 8's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Webster Parish Fire Protection District No. 8's general fund is classified as governmental activities. The Webster Parish Fire Protection District No. 8 does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis 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 Webster Parish Fire Protection District No. 8's net position is reported in two parts – net investment in capital assets, and unrestricted net position.

(Continued)

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the Webster Parish Fire Protection District No. 8's functions. The functions are supported by program revenues and general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. The net costs (by function) are normally covered by general revenues.

This government-wide focus is more on the sustainability of the Webster Parish Fire Protection District No. 8 as an entity and the change in the Webster Parish Fire Protection District No. 8's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Webster Parish Fire Protection District No. 8 are recorded 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, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Webster Parish Fire Protection District No. 8:

Governmental Funds – 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 following is a description of the governmental funds of the Webster Parish Fire Protection District No. 8:

- a. General fund is the general operating fund of the Webster Parish Fire Protection District No. 8. It is used to account for all financial resources except those required to be accounted for in another fund.

The emphasis in fund financial statements is on the major funds in the governmental category. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District's general fund was determined to be a major fund.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures 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 funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

(Continued)

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

Revenues of the Webster Parish Fire Protection District No. 8 consist principally of property taxes, intergovernmental revenues - fire insurance rebate and interest income. Property taxes are recorded in the year for which the taxes are levied. Property taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. Because the 2020 tax levy is intended to fund the 2021 fiscal year, the levy has been recorded as a receivable and deferred inflows of resources. Interest income is recorded when earned. Intergovernmental revenues are recorded when received because they are generally not measurable until actually received.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this rule is that principal and interest on general obligation long-term debt, if any, is recognized when due. Depreciation is not recognized in the governmental fund financial statements.

E. Budgets

The district uses the following budget practices:

1. A preliminary budget for the ensuing year is prepared by the Fire Chief and Officers of the District prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year.
2. After completion of all action necessary to finalize and implement the budget, the budget is adopted by the Board of Commissioners.
3. All budgetary appropriations lapse at the end of each fiscal year.
4. The budget is established and controlled by the board of commissioners at the object level of expenditure. All changes in the budget must be approved by the board.
5. The budget is adopted on a cash basis for the general fund. One amendment was made to the 2020 budget.

F. Cash and Cash Equivalents

Cash includes amounts in petty cash, 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, or money market accounts with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

(Continued)

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at fair value.

G. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and Improvements	15 – 30 years
Equipment	5 – 15 years

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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. At this time, the District has no transactions that meet the definition of deferred outflows of resources.

The District's governmental activities and governmental fund reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that met this definition and qualifies for reporting in this category. Accordingly, the item "unavailable revenue" is reported in the governmental fund balance sheet and statement of net position. The District reports unavailable revenue from one source: ad valorem taxes. This amount is deferred and recognized as an inflow of resources in the period for which the amounts were levied and budgeted.

I. Compensated Absences

The District had no liability for compensated absences at December 31, 2020.

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

(Continued)

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

K. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation adopted by the district or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

L. Fund Balances

GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.
2. Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes as a result of constraints imposed by the District's board of commissioners (the District's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the District's board of commissioners removes those constraints by taking the same type of action (i.e. legislation, resolution, or ordinance).
4. Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The District's board of commissioners have the authority to assign amounts to be used for specific purposes.
5. Unassigned fund balance are the residual classification for the District's general fund and include all spendable amounts not contained in the other classifications.

When both restricted and unrestricted fund balances are available for use, it is the District's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

(Continued)

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Notes to Financial Statements
 December 31, 2020
 (Continued)

M. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the 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.

(2) Levied Taxes

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date
Operating	12.41	12.41	2028

(3) Cash and Cash Equivalents

At December 31, 2020, the District had cash and cash equivalents (book balances), totaling \$412,392 as detailed below.

Cash and Cash Equivalents

District had cash and cash equivalents at December 31, 2020 (book balances) totaling \$412,392 in interest bearing demand deposits and demand deposit accounts. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Credit Risk

Custodial credit risk is the risk that in the event of a bank or other depositing institution failure, the government's deposits may not be returned to it. As of December 31, 2020, \$42,404 of the District's bank balances totaling \$425,676 were exposed to custodial credit risk as uninsured deposits protected and collateralized with pledged securities held by the custodial bank's trust department not in the District's name.

(Continued)

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

(4) Capital Assets

Capital asset activity for the year ended December 31, 2020, was as follows:

	Balance at Jan. 1, 2020	Additions	Deletions	Balance at Dec. 31, 2020
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 22,000	\$	\$	\$ 22,000
Capital assets, being depreciated:				
Buildings and improvements	285,457			285,457
Equipment	1,461,257	36,987		1,498,244
Total capital assets, being depreciated at historical cost	1,746,714	36,987		1,783,701
Less accumulated depreciation:				
Buildings and improvements	(196,468)	(8,376)		(204,844)
Equipment	(582,799)	(101,505)		(684,304)
Total accumulated depreciation	(779,267)	(109,881)		(889,148)
Capital assets being depreciated, net	967,447	(72,894)		894,553
Governmental activities capital assets, net	\$ 989,447	\$ (72,894)	\$	\$ 916,553

Depreciation expense for the year ended December 31, 2020, was \$109,881.

(5) Risk Management

The District purchases commercial insurance to provide workers compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the prior year.

(Continued)

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Notes to Financial Statements
 December 31, 2020
 (Continued)

(6) Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Capital Lease	\$ 462,525	\$	\$ 38,213	\$ 424,312	\$ 39,808

Capital Lease – Fire Truck

During 2019, the District entered into a capital lease agreement to purchase a fire truck. The lease agreement qualifies as a capital lease for accounting purposes. The truck is included in capital assets at a cost of \$512,525, with accumulated depreciation totaling \$59,795 for a net book value of \$452,730 as of December 31, 2020. Depreciation expense for 2020 was \$34,168. The lease has an interest rate of 4.175%, and the District will make monthly payments through March 2029. The debt will be repaid from funds legally available for such purposes by the District. The lessor is reflected as the lienholder on the fire truck during the term of the lease.

Future minimum lease obligation and the net present value of the minimum lease payments as of December 31, 2020 were as follows:

Year Ending December 31,	
2021	\$ 57,523
2022	57,523
2023	57,523
2024	57,523
2025	57,523
2026–2029	<u>230,092</u>
Total lease payments	\$ 517,707
Less amounts representing interest	(93,395)
Present value of future minimum lease payments	<u>\$ 424,312</u>

Interest expense in the statement of activities for the year ended December 31, 2020 was \$17,981.

(Continued)

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Notes to Financial Statements
December 31, 2020
(Continued)

(7) Accounts Payable and Accrued Expenses

Accounts payable at December 31, 2020 consisted of the following:

Accounts payable	<u>\$ 529</u>
Total fund statements	<u>529</u>
Accrued interest payable	<u>14,763</u>
Total government-wide statements	<u>\$ 15,292</u>

(8) Subsequent Events

Subsequent events have been evaluated through June 25, 2021, the date the financial statements were available to be issued.

(9) Uncertainty

As a result of the COVID-19 Coronavirus, economic uncertainties have arisen which are likely to negatively impact financial resources. While the duration on the economic impact is expected to be temporary, there is considerable uncertainty around the duration. The related impact and duration cannot be reasonably estimated at this time.

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 271,400	\$ 281,364	\$ 281,364	\$
Fire insurance rebate	7,000	7,361	6,761	(600)
Interest income	550	545	545	
Miscellaneous	3,291	1,969	2,569	600
Total revenues	282,241	291,239	291,239	
Expenditures				
Current - fire protection	195,908	186,729	186,717	12
Capital outlay	60,000	36,987	36,987	
Debt service				
Principal	38,213	38,213	38,213	
Interest	19,310	19,310	19,310	
Total expenditures	313,431	281,239	281,227	12
Change in fund balance	(31,190)	10,000	10,012	12
Fund balance at beginning of year	250,000	250,000	402,380	152,380
Fund balance at end of year	\$ 218,810	\$ 260,000	\$ 412,392	\$ 152,392

See independent accountants' review report

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Notes to Required Supplementary Information
 December 31, 2020

The District's budget is adopted on a cash basis for all funds. There was one amendment to the 2020 budget. The budget comparison schedule included in the accompanying financial statements includes the original and amended budget. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	<u>General Fund</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (budget basis)	\$ 10,012
Adjustments:	
Expenditure accruals – net	<u>489</u>
Excess of revenues and other sources over (under) expenditures and other uses (GAAP basis)	<u>\$ 10,501</u>

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Other Supplementary Information
Schedule of Per Diem Paid Commissioners
For the Year Ended December 31, 2020

PER DIEM AND OTHER PAID COMMISSIONERS

<u>Per Diem</u>	<u>Amount</u>
Perry Kirkland	\$ 150
Earnie Gibson	150
Yolanda Palmer	120
Leon Smith	90
Roberta Lott	60
Kristin Holloway	90
Total	<u>\$ 660</u>

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Other Supplementary Information
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2020

Agency Head: Perry Kirkland, Board Chairman

PURPOSE	AMOUNT
Per Diem	\$ 150

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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Accountants' Report On Applying Agreed-Upon Procedures

The Board of Commissioners
Webster Parish Fire Protection District No. 8

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Webster Parish Fire Protection District No. 8 (the District) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Webster Parish Fire Protection District No. 8's compliance with certain laws and regulations during the year ended December 31, 2020 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute (R.S.) 38:221-2286 (the public bid law) and report whether the expenditures were made in accordance with these laws.

There were no expenditures made during the year ended December 31, 2020 exceeding \$30,000 for materials and supplies or \$250,000 for public works subject to the public bid law.

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).

The District provided us with the required list.

3. Obtain from management a listing of all employees paid during the fiscal year.

The District provided us with the required list.

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

None of the employees included on the list of employees provided by the District [agreed-upon procedure (3)] appeared on the list provided by the District in agreed-upon procedure (2).

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

The District provided the listings. No vendors appeared on both lists.

Budgeting

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

The District provided us with a copy of the original budget and amendments. There was one amendment to the budget during the year ended December 31, 2020.

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.

The adoption of the original budget for 2020 was done on November 19, 2019.

One budget amendment was on November 19, 2020.

We traced the budget adoption and amendment to the minutes of those meetings. No exceptions noted.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues fail 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 and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements and obtain documentation from management for those 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.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) report whether the six disbursements are coded to the correct fund and general ledger account;

All six 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.

Inspection of documentation supporting each of the six selected disbursements indicated the six disbursements were approved in accordance with management's policies and procedures.

Meetings

10. Obtain evidence from management indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:13 (the open meetings law); and report whether there are any exceptions.

The District posted its meetings and agendas as required by LSA-RS 42:11 through 42:28 (the open meetings law). No exceptions noted.

Debt

11. Obtain bank deposits 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.

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

Advances and Bonuses

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

A reading of the minutes and inspection of payroll disbursements of the District for the year ended December 31, 2020 indicated no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

State Audit Law

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

The District provided for a timely report in accordance with R.S. 24:513.

14. Inquire of management and report whether the District 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 District was not in compliance with R.S. 24:513 (the audit law).

Not applicable. The District was in compliance with R.S. 24:513 and did not enter into any state contracts.

Prior Comments and Recommendations

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

There was one prior year finding for the year ended December 31, 2019. See Schedule of Prior Year Findings.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Webster Parish Fire Protection District No. 8 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Cook & Morehart
Certified Public Accountants
June 25, 2021

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Summary Schedule of Prior Year Findings
December 31, 2020

There was one finding for the prior year audit for the year ended December 31, 2019.

Reference No:	2019-01 Material Weakness – Segregation of Duties
Criteria:	Internal controls should be in place to provide adequate segregation of duties over the accounting functions of the District.
Condition:	The District's Treasurer performs substantially all accounting functions of the District including preparing deposits, disbursements, bank reconciliations, and maintaining the accounting records—general ledger.
Cause:	Due to the small size of the District and available resources, there is a lack of segregation of duties.
Effect:	Due to lack of segregation of duties, errors or irregularities could occur and not be detected.
Recommendation:	The District should consider implementing certain controls to segregate duties where feasible. The benefit from an internal control should not exceed its cost, therefore, it may not be practical to correct all deficiencies.
Corrective Action Plan:	The District will consider controls where feasible, but due to the size of the District and available resources, segregation of duties will not always be possible.

Summary Schedule of Current Year Findings
For Louisiana Legislative Auditor
December 31, 2020

There were no findings for the current year as it relates to the Review/Attestation report for the year ended December 31, 2020.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

5-3-2021 (Date Transmitted)
COOK + MOREHART, CPAs (CPA Firm Name)
_____(CPA Firm Address)
_____(City, State Zip)

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of 12-31-2021 (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 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 []

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 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 []

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 []

Prior-Year Comments

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

Yes No []

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No []

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

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.

Yes No []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants 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 your report.

Yes No []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes No []

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

<u>Ladell Smyke</u>	Secretary	<u>5/3/21</u>	Date
<u>Kevin Ridge</u>	Treasurer	<u>5/3/21</u>	Date
<u>Perry Kirkland</u>	President	<u>5/3/21</u>	Date