

**WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana**

Financial Statements

Year Ended December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors
Ward Four Fire Protection District
Pine Prairie, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Ward Four Fire Protection District (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.

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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information (page 22) 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
May 2, 2019

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Statement of Net Position
December 31, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 1,045,833
Receivables, net	489,237
Capital assets, net	<u>967,709</u>
Total assets	<u>2,502,779</u>
LIABILITIES	
Accounts payable	5,500
Interest payable	1,632
Long-term liabilities:	
Portion due within one year -	
Capital lease payable	35,342
Certificates of Indebtedness payable	45,000
Portion due after one year -	
Certificates of Indebtedness payable	<u>165,000</u>
Total liabilities	<u>252,474</u>
NET POSITION	
Net investment in capital assets	722,367
Unrestricted	<u>1,527,938</u>
Total net position	<u>\$2,250,305</u>

The accompanying notes are an integral part of the basic financial statements.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Statement of Activities
For the Year Ended December 31, 2018

	<u>Governmental Activities</u>
Expenses:	
Public safety	\$ 549,262
Interest on long-term debt	<u>7,415</u>
Total governmental activities expenses	<u>556,677</u>
General revenues:	
Ad valorem taxes	513,935
State revenue sharing	13,916
Fire insurance rebate	11,603
Interest and investment earnings	4,836
Miscellaneous	<u>13,428</u>
Total general revenues	<u>557,718</u>
Change in net position	1,041
Net position, January 1, 2018	<u>2,249,264</u>
Net position, December 31, 2018	<u>\$2,250,305</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Balance Sheet
Governmental Fund - General Fund
December 31, 2018

ASSETS

Cash and interest-bearing deposits	\$1,045,833
Receivables:	
Ad valorem tax, net	475,321
State revenue sharing	<u>13,916</u>
Total assets	<u>\$1,535,070</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE

Liabilities:	
Accounts payable	5,500
Deferred inflows of resources:	
Unavailable revenue - property taxes	121,909
Fund balance - unassigned	<u>1,407,661</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$1,535,070</u>

The accompanying notes are an integral part of the basic financial statements.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2018

Total fund balance for the governmental fund at December 31, 2018		\$1,407,661
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Building and improvements, net of \$178,152 accumulated depreciation	\$175,926	
Equipment, net of \$537,663 accumulated depreciation	<u>791,783</u>	967,709
Revenues that have been deferred are unearned in the governmental funds but are recognized as revenue in the government-wide financial statements		
		121,909
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities at year end consist of:		
Interest payable	(1,632)	
Capital lease payable	(35,342)	
Certificates of indebtedness payable	<u>(210,000)</u>	<u>(246,974)</u>
Net position at December 31, 2018		<u>\$2,250,305</u>

The accompanying notes are an integral part of the basic financial statements.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund - General Fund
For the Year Ended December 31, 2018

Revenues:	
Ad valorem tax	\$ 512,016
State revenue sharing	13,916
Fire insurance rebate	11,603
Miscellaneous income	13,428
Interest income	4,836
Total revenues	<u>555,799</u>
Expenditures:	
Current -	
Public safety:	
Advertising	1,070
Dues	3,362
Fire insurance rebate	11,601
Fuel	3,016
Insurance	28,074
Mileage reimbursement	467
Miscellaneous	2,758
Office	3,479
Outside services	28,252
Assessor deductions	16,089
Professional fees	11,340
Repairs and maintenance	50,181
Supplies	246,822
Training	3,870
Utilities	17,692
Volunteer firemen	17,800
Debt service -	
Principal retirement	74,325
Interest	7,642
Total expenditures	<u>527,840</u>
Excess of revenues over expenditures	27,959
Fund balance, beginning	<u>1,379,702</u>
Fund balance, ending	<u>\$1,407,661</u>

The accompanying notes are an integral part of the basic financial statements.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, 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, 2018

Total net change in fund balance for the year ended December 31, 2018 per statement of revenues, expenditures and changes in fund balance		\$ 27,959
The change in net position reported for governmental activities in the statement of activities is different because:		
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.		
Capital outlay which is considered expenditures on the statement of revenues, expenditures and changes in fund balance	\$ -	
Loss on disposal of assets	(6,333)	
Depreciation expense	<u>(97,056)</u>	(103,389)
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds		
Change in unavailable revenues		1,919
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		
Bond principal payments	40,000	
Capital lease principal payments	<u>34,325</u>	74,325
Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds		
Decrease in interest payable		<u>227</u>
Change in net position for the year ended December 31, 2018 per statement of activities		<u>\$ 1,041</u>

The accompanying notes are an integral part of the basic financial statements.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Ward Four Fire Protection District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The Ward Four Fire Protection District was created by and in accordance with provisions of Part I, Chapter 7, Title 40, of the Louisiana Revised Statutes of 1950 for the purpose of fire protection in its designated Evangeline Parish area. This report includes all funds and activities that are controlled by the District as an independent political subdivision of the State of Louisiana. There are no component units required to be reported in conformity with generally accepted accounting principles. The Board of Commissioners are solely responsible for the operations which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Board members receive no compensation.

The District serves approximately 120 households and has no employees. All firemen are volunteers.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

The fund of the District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the District is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the District and is used to account for the operations of the District's office. The various fees and charges due to the District's office are accounted for in this fund. General operating expenditures are paid from this fund.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

Program Revenues

Program revenues included in the statement of activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Use of Restricted Resources

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the District.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and state revenue sharing. Uncollectible ad valorem taxes are recognized as bad debts through the establishment of an allowance account. An allowance in the amount of \$15,146 was established at December 31, 2018.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column 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 \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	5-15 years
Buildings and improvements	10-40 years

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Since the District doesn't have a proprietary fund, all long-term debt is used in governmental fund operations.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of certificates of indebtedness and capital leases payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. Ad valorem taxes for the governmental fund which have not been remitted within 60 days subsequent to year end are considered deferred inflows of resources.

Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – consist of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances of the governmental funds are classified as follows.

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the District’s Board, which is the highest level of decision-making authority for the District.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the District’s adopted policy, only the District Board may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2018, the District has cash and interest-bearing deposits (book balances) totaling \$1,045,833, that consist of time and money market deposits.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the District’s deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. 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 similar federal security 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 bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2018, are secured as follows:

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

Bank balances	\$ 1,050,751
Federal deposit insurance	750,000
Pledged securities	245,887
Total	995,887
Deficiency	\$ (54,864)

Deposits in the amount of \$245,887 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the District's name. The District had a deficiency of pledged securities at December 31, 2018 in the amount of \$54,864. The District does not have a policy for custodial credit risk.

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2018 are as follows:

	Balance 1/1/2018	Additions	Deletions	Balance 12/31/2018
Buildings and improvements	\$ 354,078	\$ -	\$ -	\$ 354,078
Equipment	1,349,446	-	20,000	1,329,446
Total	1,703,524	-	20,000	1,683,524
Less accumulated depreciation	632,426	97,056	13,667	715,815
Net capital assets	\$ 1,071,098	\$ (97,056)	\$ 6,333	\$ 967,709

Depreciation expense of \$97,056 was charged to the public safety function.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers in December. Billed taxes become delinquent on January 1 of the following year. The taxes are collected and remitted to the District by the Evangeline Parish Sheriff's office.

For the year ended December 31, 2018, taxes of 10.18 mills were levied on property with assessed valuations totaling \$49,803,283. Total taxes levied in 2018 were \$506,997. Ad valorem taxes receivable at December 31, 2018 were \$475,321, net of an allowance for uncollectible taxes of \$15,146.

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities transactions for the year ended December 31, 2018.

	Balance 1/1/2018	Additions	Deletions	Balance 12/31/2018	Amount due in one year
Certificates of indebtedness	\$ 250,000	\$ -	\$ 40,000	\$ 210,000	\$ 45,000
Capital lease	69,667	-	34,325	35,342	35,342
	<u>\$ 319,667</u>	<u>\$ -</u>	<u>\$ 74,325</u>	<u>\$ 245,342</u>	<u>\$ 80,342</u>

Certificates of indebtedness payable at December 31, 2018, consist of the following:

\$382,500 Certificates of Indebtedness, Series 2013B, dated May 10, 2013, for the purpose of acquiring, constructing and improving fire protection facilities and equipment, including fire trucks, due in annual installments of \$45,000 to \$60,000 through September 1, 2022, at an interest rate of 1.90% to 2.70%, secured by excess annual revenues of the general fund. \$ 210,000

The certificates of indebtedness are due as follows:

Year ending December 31,	Principal	Interest
2019	\$ 45,000	\$ 4,897
2020	50,000	4,043
2021	55,000	2,967
2022	60,000	1,620
	<u>\$ 210,000</u>	<u>\$ 13,527</u>

The District is obligated under one capital lease which is included in capital assets at December 31, 2018 as follows:

Equipment	\$267,717
Less accumulated depreciation	<u>65,442</u>
Net capital asset	<u>\$202,275</u>

Amortization of leased equipment under capital assets is included with depreciation expense. The following is a schedule of future minimum lease payments under the lease and the present value of the net minimum lease payments at December 31, 2018:

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to Basic Financial Statements (Continued)

<u>Fiscal Year</u>	<u>Amount</u>
2019	\$36,389
Less amount representing interest	(1,047)
Present value of minimum lease payments	\$35,342

(6) Board Members' Compensation

No per diem or other compensation is paid to board members of the District.

(7) Compensation, Benefits, and Other Payments to District Chief

A detail of compensation, benefits, and other payments paid to Bryan Wyles, District Chief, for the year ended December 31, 2018 follows:

<u>Purpose</u>	<u>Amount</u>
Contract labor	\$7,200
Cell phone allowance	960
Training	301
	\$8,461

(8) Tax Abatements

The District is subject to property tax abatements for a lease agreement between the Industrial Development Board and Pine Prairie Energy Center, LLC, in connection with, the issuance of the \$50,000,000 Industrial Development Revenue Bonds, which allowed for the exemption of ad valorem taxes. This agreement, which was approved by the Evangeline Parish Police Jury, is for the inducement of economic development in Evangeline Parish. The tax exemption will continue for the term of the lease. For the year ended December 31, 2018 the District abated ad valorem tax in the amount of \$216,192.

(9) Risk Management

The District is exposed to risks of loss in the areas of general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(10) Litigation

At December 31, 2018, there is no litigation pending against the District.

**REQUIRED
SUPPLEMENTARY INFORMATION**

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2018

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Ad valorem tax	\$ 615,000	\$ 510,500	\$ 512,016	\$ 1,516
State revenue sharing	10,000	12,137	13,916	1,779
Fire insurance rebate	13,000	11,603	11,603	-
Miscellaneous income	2,000	7,034	13,428	6,394
Interest income	500	584	4,836	4,252
Total revenues	<u>640,500</u>	<u>541,858</u>	<u>555,799</u>	<u>13,941</u>
Expenditures:				
Current -				
Public safety:				
Advertising	1,000	1,165	1,070	95
Dues	500	372	3,362	(2,990)
Fire insurance rebate	13,000	11,601	11,601	-
Fuel	2,350	4,388	3,016	1,372
Insurance	40,000	28,083	28,074	9
Mileage reimbursement	-	-	467	(467)
Miscellaneous	40,000	6,699	2,758	3,941
Office expense	5,000	3,501	3,479	22
Outside services	55,000	51,424	28,252	23,172
Assessor deductions	-	-	16,089	(16,089)
Professional fees	10,000	10,900	11,340	(440)
Repairs and maintenance	10,000	9,884	50,181	(40,297)
Supplies	40,000	213,775	246,822	(33,047)
Training	5,000	3,528	3,870	(342)
Utilities	15,000	23,386	17,692	5,694
Volunteer firemen	-	-	17,800	(17,800)
Debt service -				
Principal retirement	75,000	74,325	74,325	-
Interest	10,000	4,853	7,642	(2,789)
Total expenditures	<u>321,850</u>	<u>447,884</u>	<u>527,840</u>	<u>(79,956)</u>
Excess of revenues over expenditures	318,650	93,974	27,959	(66,015)
Fund balance, beginning	<u>1,526,135</u>	<u>1,379,702</u>	<u>1,379,702</u>	<u>-</u>
Fund balance, ending	<u>\$1,844,785</u>	<u>\$1,473,676</u>	<u>\$1,407,661</u>	<u>\$(66,015)</u>

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Notes to the Required Supplementary Information
For the Year Ended December 31, 2018

(1) Budgets and Budgetary Accounting

The Ward Four Fire Protection District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Secretary-Treasurer prepares a proposed budget and submits it to the District Board for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Ward Four Fire Protection District.

(2) Excess of Expenditures Over Appropriations

The General Fund incurred expenditures in excess of appropriations for the year ended December 31, 2018 in the amount of \$79,956.

**INTERNAL CONTROL
AND
COMPLIANCE**

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

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* A Professional Accounting Corporation

To the Board of Directors
Ward Four Fire Protection District
Pine Prairie, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Ward Four Fire Protection District (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 and have issued our report thereon dated May 2, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying summary schedule of current and prior year audit findings and corrective action plan, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 2018-002 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider deficiency 2018-001 described in the accompanying summary schedule of current and prior year audit findings and corrective action plan to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Ward Four Fire Protection District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as items 2018-003 and 2018-004.

Ward Four Fire Protection District's Response to Findings

The Ward Four Fire Protection District's response to the findings identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
May 2, 2019

WARD FOUR FIRE PROTECTION DISTRICT
Pine Prairie, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
For the Year Ended December 31, 2018

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Completion Date
CURRENT YEAR (12/31/2018) --						
<u>Internal Control:</u>						
2018-001	Unknown	Due to the small number of employees, the District did not have adequate segregation of functions within the accounting system.	No	Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	Durwin K. Carter, Chairman	N/A
2018-002	2013	The District does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The District has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Durwin K. Carter, Chairman	N/A
<u>Compliance:</u>						
2018-003	2018	The District did not comply with the requirements of RS 39:1311, the Local Government Budget Act. Actual expenditures exceeded budgeted expenditures by five percent or more.	No	The District will comply with all the requirements of the Local Government Budget Act.	Durwin K. Carter, Chairman	Immediately
2018-004	2018	Deposit balances of the District were under secured in the amount of \$54,864 at December 31, 2018.	Yes	Efforts will be made to ensure that all balances of the District are adequately insured.	Durwin K. Carter, Chairman	Immediately
PRIOR YEAR (12/31/2017) --						
<u>Internal Control:</u>						
2017-001	Unknown	Due to the small number of employees, the District did not have adequate segregation of functions within the accounting system.	No	Based upon the size of the operation and the cost benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.	Durwin K. Carter, Chairman	N/A
2017-002	2013	The District does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The District has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	Durwin K. Carter, Chairman	N/A
<u>Compliance:</u>						
2017-003	2017	The District did not comply with the requirements of LRS 38:2212, the Louisiana public bid law, when purchasing equipment costing in excess of \$30,000.	Yes		Durwin K. Carter, Chairman	

**Ward Four Fire Protection District
Ville Platte, Louisiana**

**Statewide Agreed-Upon Procedures Report
Year Ended December 31, 2018**

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management of the Ward Four Fire Protection District

We have performed the procedures enumerated below, which were agreed to by Ward Four Fire Protection District and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2018 through December 31, 2018. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation 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 this 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.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exceptions noted in 1a-j.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions noted.
 - b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.

No monthly budget-to-actual comparisons were provided.
 - c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.

No negative unrestricted fund balance noted.

Bank Reconciliations

- 3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Bank reconciliations did not include evidence that they were prepared within 2 months of closing date; bank reconciliations did not include evidence of review; and no outstanding checks were more than 12 months old.

Collections

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

#5 through #6: No cash is collected by the fire district. No reconciliations are necessary. Checks received in the mail are recorded in the check log by purchasing agent. The bookkeeper deposits the checks and records them in the general ledger. The bookkeeper is not bonded.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Trace the deposit slip total to the actual deposit per the bank statement.
 - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions noted in 7a-e.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
No exceptions noted.
 - b) At least two employees are involved in processing and approving payments to vendors.
No exceptions noted.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
Exception noted.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
No exception noted.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original invoice/billing statement.
No exceptions noted.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
One exception was noted.

Credit Cards/Debit Cards/Fuel Cards/P-Cards N/A-No credit cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

Travel and Travel-Related Expense Reimbursements (excluding card transactions)

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Four exceptions were noted. Rate used exceeded GSA rate.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

None reimbursed using actual costs.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

One reimbursement did not have supporting documentation.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Reimbursements were not approved by someone other than the person receiving the reimbursement.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions noted.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

One contract was approved by the board.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.

No exceptions noted.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Two contracts were not available. Two contracts did not have invoices submitted but amount paid matched contract amount. One contract amount did not match amount actually paid.

Payroll and Personnel N/A-No Payroll

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics N/A-No Employees

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Other

21. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

No misappropriations were noted.

22. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions noted.

Management's Response

Management of the Ward Four Fire Protection District concurs with the exceptions and are working to address the deficiencies identified.

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 those C/C areas identified in the SAUPs. 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 those C/C areas identified in the SAUPs, 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 LLA as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
March 26, 2019