

**Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Financial Statements
and
Report on Agreed – Upon Procedures
As of and For the Year Ended December 31, 2018**

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

Table of Contents

	<u>Page</u>
Independent Accountants' Review Report	1 – 2
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Balance Sheet – Governmental Fund	5
Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position	6
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Fund to the Statement of Activities	8
Notes to the Financial Statements	9 – 16
Required Supplementary Information	
Budgetary Comparison Schedule	17
Notes to Required Supplementary Information	18
Other Supplementary Information	
Schedule of Per Diem paid Commissioners	19
Schedule of Compensation, Benefits, and Other Payments to Agency Head	20
Independent Accountants' Report on Applying Agreed-Upon Procedures	21 – 23
Schedules For Louisiana Legislative Auditor	
Summary Schedule of Prior Year Findings	24
Schedule of Current Year Findings	24
Louisiana Attestation Questionnaire	

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H. MOREHART, CPA
VICKIE D. CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L. REEKS, CPA
J. PRESTON DELAUNE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management 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 17-18 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 19–20 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 on it.



Cook & Morehart
Certified Public Accountants
June 22, 2019

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Statement of Net Position
 December 31, 2018

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 419,509
Accounts receivable - ad valorem taxes	274,061
Capital assets (net)	452,518
Total assets	1,146,088
LIABILITIES	
Accounts payable and accrued expenses	1,500
Long-term liabilities:	
Due within one year	60,000
Total liabilities	61,500
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue- ad valorem taxes	274,061
NET POSITION	
Net investment in capital assets	392,518
Unrestricted	418,009
Total net position	\$ 810,527

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, 2018

GOVERNMENTAL ACTIVITIES

Expenses:

Interest on long term-term debt	\$ 2,752
Public Safety - fire protection	<u>274,345</u>
	<u>277,097</u>

General revenues:

Ad valorem taxes	281,293
Fire insurance rebate	6,886
Interest Income	653
Other income	11,705
(Loss) on disposal capital assets	<u>(15,436)</u>
Total general revenues	<u>285,101</u>

Change in net position 8,004

Net position - beginning 802,523

Net position - ending \$ 810,527

See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Balance Sheet
 Governmental Fund
 December 31, 2018

	<u>General Fund</u>
Assets	
Cash	\$ 419,509
Accounts receivable- ad valorem taxes	<u>274,061</u>
Total assets	<u><u>\$ 693,570</u></u>
Liabilities	
Accounts payable	<u>\$ 710</u>
Total liabilities	<u>710</u>
Deferred inflows of resources	
Unavailable revenue	
Ad valorem taxes	<u>274,061</u>
Total deferred inflows of resources	<u>274,061</u>
Fund balance	
Unassigned	<u>418,799</u>
Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 693,570</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, 2018

Fund balance - total governmental fund	\$ 418,799
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	452,518
Long-term liabilities, including certificates of indebtedness and interest payable are not due and payable in the current period and therefore are not reported in the governmental funds.	(60,790)
	<hr/>
Net position of governmental activities	<u>\$ 810,527</u>

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, 2018

	General Fund
Revenues	
Ad valorem taxes	\$ 281,293
Intergovernmental revenue:	
Fire insurance rebate	6,886
Interest income	653
Miscellaneous	18,856
Total revenues	307,688
Expenditures	
Current - public safety - fire protection	207,608
Capital outlay	70,000
Debt service:	
Principal	58,000
Interest, fees and charges	3,515
Total expenditures	339,123
Change in fund balance	(31,435)
Fund balance at beginning of year	450,234
Fund balance at end of year	\$ 418,799

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, 2018

Net change in fund balance - total governmental fund	\$	(31,435)
<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 capital outlays \$70,000 exceeds depreciation \$66,738 in the current period.</p>		3,262
<p>Governmental funds report the proceeds from the sale of capital assets as revenue whereas the statement of activities reports the loss on a sale of capital assets. This is the effect on the change in net position on the statement of activities.</p>		(22,587)
<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 assets.</p>		
Principal payments on long-term debt		58,000
<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>		764
Change in net position of governmental activities	<u>\$</u>	<u>8,004</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, 2018

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 Commission.

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, 2018
(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. There were no program revenues for the year ended December 31, 2018. 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, 2018
(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 2018 tax levy is intended to fund the 2019 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 2018 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, 2018
(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 fair market 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, 2018.

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, 2018
(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, 2018
 (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

The District held an election on April 28, 2018 whereby voters approved the millage renewal through 2028.

(3) Cash and Cash Equivalents

At December 31, 2018, the District had cash and cash equivalents (book balances), totaling \$419,509 as detailed below.

Cash and Cash Equivalents

District had cash and cash equivalents at December 31, 2018 (book balances) totaling \$419,509 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 depository institution failure, the government's deposits may not be returned to it. As of December 31, 2018, \$39,232 of the District's bank balances totaling \$422,063 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, 2018
(Continued)

(4) Capital Assets

Capital asset activity for the year ended December 31, 2018, was as follows:

	Balance at Jan. 1, 2018	Additions	Deletions	Balance at Dec. 31, 2018
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 285,457	\$	\$	\$ 285,457
Equipment	943,687	70,000	(144,495)	869,192
Total capital assets, being depreciated at historical cost	<u>1,229,144</u>	<u>70,000</u>	<u>(144,495)</u>	<u>1,154,649</u>
Less accumulated depreciation:				
Buildings and improvements	(176,436)	(10,016)		(186,452)
Equipment	(580,865)	(56,722)	121,908	(515,679)
Total accumulated depreciation	<u>(757,301)</u>	<u>(66,738)</u>	<u>121,908</u>	<u>(702,131)</u>
Governmental activities capital assets, net	<u>\$ 471,843</u>	<u>\$ 3,262</u>	<u>\$ (22,587)</u>	<u>\$ 452,518</u>

Depreciation expense for the year ended December 31, 2018, was \$66,738.

(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.

(6) Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Certificate of Indebtedness	<u>\$ 118,000</u>	<u>\$</u>	<u>\$ 58,000</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>

(Continued)

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Notes to Financial Statements
 December 31, 2018
 (Continued)

Certificates of indebtedness at December 31, 2018 are comprised of the following individual issues:

Series 2010, original amount \$400,000 for acquiring equipment and fire station improvements; due in annual installments of \$32,000 to \$60,000 through March 1, 2019; interest rate of 3.95%; repayment of debt is paid from the operating ad valorem tax levied by the District. \$ 60,000

Debt service requirements at December 31, 2018, were as follows:

Fiscal Year	Certificate of Indebtedness		
	Principal	Interest	Total
2019	\$ 60,000	\$ 1,185	\$ 61,185

Interest expense in the statement of activities for the year ended December 31, 2018 was \$2,752.

(7) Accounts Payable and Accrued Expenses

Accounts payable at December 31, 2018 consisted of the following:

Accounts payable	\$ 710
Total fund statements	710
Accrued interest payable	790
Total government-wide statements	\$ 1,500

(8) Subsequent Events

Subsequent events have been evaluated through June 22, 2019, the date the financial statements were available to be issued.

The District purchased a new fire truck in April, 2019 for \$512,525. The purchase was made by a \$50,000 down payment and entering into a capital lease for the remainder \$462,525. The lease calls for 10 annual payments of \$57,523.

During February, 2019, the District received a grant from the U.S. Department of Homeland Security in the amount of \$122,858 which was used to purchase equipment totaling approximately \$131,540.

During February, 2019, the District purchased real estate totaling \$22,000.

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 300,000	\$ 281,293	\$ 281,293	\$
Fire insurance rebate	7,500	6,886	6,886	
Interest income	550	653	653	
Miscellaneous	8,929	18,856	18,856	
Total revenues	316,979	307,688	307,688	
Expenditures				
Current - fire protection	233,208	208,028	208,028	
Capital outlay	70,000	70,000	70,000	
Debt service	61,516	61,516	61,515	
Total expenditures	364,724	339,544	339,543	1
Change in fund balance	(47,745)	(31,856)	(31,855)	1
Fund balance at beginning of year	318,920	318,920	451,364	132,444
Fund balance at end of year	<u>\$ 271,175</u>	<u>\$ 287,064</u>	<u>\$ 419,509</u>	<u>\$ 132,445</u>

See independent accountants' review report

Webster Parish Fire Protection District No. 8
 Cotton Valley, Louisiana
 Notes to Required Supplementary Information
 December 31, 2018

The District's budget is adopted on a cash basis for all funds. There was one amendment to the 2018 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)	\$ (31,855)
Adjustments:	
Expenditure accruals – net	<u>420</u>
Excess of revenues and other sources over (under) expenditures and other uses (GAAP basis)	<u>\$ (31,435)</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, 2018

PER DIEM AND OTHER PAID COMMISSIONERS

<u>Per Diem</u>	<u>Amount</u>
Perry Kirkland	\$ 330
Earnie Gibson	390
Ladell Smythe	180
Yolanda Palmer	270
Leon Smith	270
Roberta Scott	210
Total	<u>\$ 1,650</u>

<u>Secretary</u>	
Ladell Smythe	<u>\$ 4,800</u>

See independent accountants' review report

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, 2018

Agency Head: Perry Kirkland, Board Chairman

PURPOSE	AMOUNT
Per Diem	\$ 330

See independent accountants' review report

COOK & MOREHART

Certified Public Accountants

1215 HAWN AVENUE • SHREVEPORT, LOUISIANA 71107 • P.O. BOX 78240 • SHREVEPORT, LOUISIANA 71137-8240

TRAVIS H MOREHART, CPA
VICKIE D CASE, CPA

TELEPHONE (318) 222-5415

FAX (318) 222-5441

STUART L REEKS, CPA
J PRESTON DELAUNE, CPA

MEMBER
AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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, 2018 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 \$154,450. 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, 2018 exceeding \$30,000 for materials and supplies or \$154,450 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 period under examination.

The District provided us with the required list.

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

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 disbursement 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, 2018.

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 2018 was done on November 20, 2017.

One budget amendment was on November 20, 2018.

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).

The District posted its meetings and agendas as required by LSA-RS 42:11 through 42:28 (the open meetings law).

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, 2018 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.

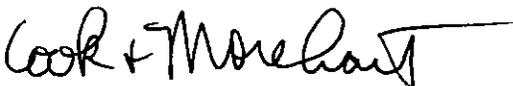
Prior Comments and Recommendations

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

There were no prior year findings for the year ended December 31, 2017.

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 22, 2019

Webster Parish Fire Protection District No. 8
Cotton Valley, Louisiana
Summary Schedule of Prior Year Findings
December 31, 2018

There were no findings for the prior year review for the year ended December 31, 2017.

Summary Schedule of Current Year Findings
For Louisiana Legislative Auditor
December 31, 2018

There are no findings for the current year review for the year ended December 31, 2018.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

5-21-19 (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 12-31-18 (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>Radell Smyke</u>	Secretary	<u>5/21/19</u>	Date
<u>Karen Ridge</u>	Treasurer	<u>5/21/19</u>	Date
<u>Benny Kikkawa</u>	President	<u>5/21/19</u>	Date