

**CADDO PARISH FIRE DISTRICT NO. 8****Annual Financial Statements****As of December 31, 2010  
And for the Year Then Ended**

*Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.*

Release Date OCT 05 2011



**AGEE & AGEE, P.C.**

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June 27, 2011

Office of Legislative Auditor  
Attention: Ms. Suzanne Elliott  
1600 North Third  
PO Box 94397  
Baton Rouge, LA 70804-9397

Dear Ms. Elliott:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Caddo Parish Fire District No. 8, as of and for the fiscal year ended December 31, 2010. This report includes all funds under the control and oversight of the Caddo Parish Fire District No. 8.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

A handwritten signature in black ink that reads "Agee &amp; Agee, P.C." in a cursive style.

Agee & Agee, PC

Enclosure

# CADDO PARISH FIRE DISTRICT NO. 8

Annual Financial Statements  
As of and for the Year Ended December 31, 2010  
With Supplemental Information Schedules

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**Caddo Parish Fire District No. 8**

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## **CADDO PARISH FIRE DISTRICT NO. 8**

1007 South Spruce Street  
Vivian, LA 71082

### **Management Discussion and Analysis (Unaudited)**

As of and for the Year Ended December 31, 2010

Our discussion and analysis of Caddo Parish Fire District No. 8 (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2010. Please read it in conjunction with the District's financial statements.

#### **FINANCIAL HIGHLIGHTS**

For 2010, the total revenue for the District was \$919,136 compared to \$754,885 in 2009.

During the years ended December 31, 2010 and 2009 the District had total expenses, excluding depreciation, of \$686,901 and \$432,503, respectively.

#### **USING THIS ANNUAL REPORT**

The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The District was determined to be a component unit of the Caddo Parish Commission. The Commission is financially accountable for the District because it appoints the Board of Commissioners and has the ability to impose its will on them. The accompanying financial statements present information only on the funds maintained by the District.

#### **REPORTING THE CADDO PARISH FIRE DISTRICT NO. 8 AS A WHOLE**

One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the funds maintained by the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the District's net assets and changes in them. You can think of the District's net assets – the

difference between assets and liabilities – as one way to measure the District’s financial health, or financial position. Over time, increases or decreases in the District’s net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District’s property tax base, to assess, the overall health of the District. In the Statement of Net Assets and the Statement of Activities, we record the funds maintained by the District as governmental activities:

#### Governmental Activities

All of the expenses paid from the funds maintained by the District are reported here which consists primarily of personal services, materials and supplies, fuel, repairs and maintenance, salaries, and other program services. Ad-valorem taxes finance most of these activities.

### REPORTING THE DISTRICT’S MOST SIGNIFICANT FUND

Our analysis of the major funds maintained by the District begins on page 13. The fund financial statements provide detailed information about the most significant funds maintained by the District as a whole. The District’s governmental funds use the following accounting approaches:

#### Governmental Funds

All of the District’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detail short-term view of the District’s general governmental operations and the expenses paid from those funds. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance certain District expenses. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation.

#### Summary of Operations

The fire districts now consist of one Fire Chief, one Fire Captain, and six firefighters that work two men per shift and one forty hour man during the day. The fire district was dispatched to 1,021 calls that consisted of EMS, fire, and rescue calls. During 2010, the fire department updated one brush truck. This truck was a 2011 Ford 4x4 F350 with flat bed, was rigged out by the department’s personnel. The department’s personnel performs all the maintenance on equipment. The equipment and trucks are in good clean working condition. The fire district did not have any major illness or injury.

THE CADDO PARISH FIRE DISTRICT NO. 8 AS A WHOLE

Following is the summary information from the statement of net assets (Table 1) and the statement of activities (Table 2) comparing amounts as of December 31, 2010 and 2009:

Table 1  
Net Assets

	2010	2009
<b>Assets</b>		
Cash and cash equivalents	\$ 299,624	\$ 196,166
Taxes Rec., Net (Note 2)	851,942	*708,369
Prepaid expenses	11,489	1,815
Capital assets, net	985,551	1,128,427
<b>Total Assets</b>	<b>2,148,606</b>	<b>2,034,777</b>
<b>Liabilities</b>		
Accounts payable	15,813	12,348
Payroll withholding payable	10,643	3,952
Retirement payable	2,161	5,975
Garnishment	1,015	-
Long-term Liabilities- Portion due within a year	93,861	-
Capital lease payable- Portion due after one year	532,136	716,060
<b>Total Liabilities</b>	<b>655,629</b>	<b>738,335</b>
<b>Net Assets</b>		
Invested in capital assets	359,554	412,367
Unrestricted Net Assets	1,133,423	884,075
<b>Total Net Assets</b>	<b>\$ 1,492,977</b>	<b>\$ 1,296,442</b>

\*Corrected

Table 2  
Change in Net Assets

	2010		2009
<b>Revenues</b>			
Ad Val Tax&Fees (Note2) \$	851,942	\$	708,369
State fire insurance rebate	29,546		29,545
State revenue sharing	4,983		3,843
State Supplemental Pay	19,210		-
Grant revenue	4,065		4,731
Other Income	1,331		139
Interest and investment	8,059		8,258
<b>Total revenues</b>	<b>919,136</b>		<b>754,885</b>
<b>Expenses</b>			
General government	722,601		610,613
<b>Increase (decrease) in net assets</b>	<b>\$ 196,535</b>	<b>\$</b>	<b>144,272</b>

The net assets of the District's governmental activities increased by a total of \$196,535. Unrestricted net assets, the part of net assets that can be used to finance the District expenses without constraints or other legal requirements, increased from a year ago, from \$1,296,442 at December 31, 2009 to \$1,492,977 at December 31, 2010.

#### THE DISTRICT FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 15) reported a combined fund balance of \$507,426, which is lower than last year's fund balance of \$695,022.

The primary reasons for the excess are:

- General fund revenues exceeded general fund expenditures by \$196,535.

#### General Fund Budgetary Highlights

The District adopted a budget for its General Fund for the year ended December 31, 2010. As reflected in the supplementary information, there were amendments to the budget during the year. The District's budgetary comparison is presented as required supplementary information.



## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Caddo Parish Fire District No. 8 and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Caddo Parish Fire District No. 8 at (318) 375-3233.

Whitlow Giles  
Board Chairman



**AGEE & AGEE, P.C.**

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June 27, 2011

Board of Commissioners  
Caddo Parish Fire District No. 8  
Vivian, Louisiana

### **Independent Auditors' Report**

We have audited the component unit financial statements of Caddo Parish Fire District No. 8 (the "District"), a component unit of the Caddo Parish Commission, as of and for the year ended December 31, 2010, as listed in the table of contents. These component unit financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2010, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information are not a required part of the basis financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.



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In accordance with *Government Auditing Standards*, we have also issued a report dated June 27, 2011 on our consideration of the District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the result of our audit.

Agee & Agee, P.C

## **Basic Financial Statements**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**Caddo Parish Fire District No. 8**  
**Statement of Net Assets**  
**December 31, 2010**

**Statement A**

		2010
<b>Assets</b>		
Cash and cash equivalents	\$	299,624
Taxes receivable, net		851,942
Prepaid expenses		11,489
Capital assets, net		985,551
<b>Total Assets</b>		<b>2,148,606</b>
<b>Liabilities</b>		
Accounts payable		15,813
Payroll withholding payable		10,643
Retirement payable		2,161
Garnishment		1,015
Long-term Liabilities- Current Portion		93,861
Capital lease payable- Long-Term Portion		532,136
<b>Total Liabilities</b>		<b>655,629</b>
<b>Net Assets</b>		
Capital Assets, net of debt		359,554
Unrestricted Net Assets		1,133,423
<b>Total Net Assets</b>	<b>\$</b>	<b>1,492,977</b>
<b>Total Net Assets&amp;Liabilities</b>		<b>2,148,606</b>

The accompanying notes are an integral part of this statement.

**Caddo Parish Fire District No. 8  
Statement of Activities  
For the Year Ended December 31, 2010**

**Statement B**

	Program Expenses	Program Revenues	Net Revenues (Expenses) and Changes in Net Assets
			Total
<b>Governmental Activities:</b>			
Public safety	\$ 722,601	\$ -	\$ (722,601)
Total Governmental Activities	\$ 722,601	\$ -	\$ (722,601)
<b>General Revenue:</b>			
Ad Valorem Tax & Fees			\$ 851,942
State fire insurance rebate			29,546
State revenue sharing			4,983
State Supplemental Pay			19,210
Interest earned			8,059
Grant income			4,065
Other Income			1,331
Total General Revenue			919,136
<b>Change in Net Assets</b>			196,535
<b>Net Assets, beginning</b>			1,296,442
<b>Net Assets, ending</b>			\$ 1,492,977

The accompanying notes are an integral part of this statement.

**Caddo Parish Fire District No. 8  
Balance Sheet – Governmental Fund  
December 31, 2010**

**Statement C**

		2010
<b>Assets</b>		
Cash and cash equivalents	\$	299,624
Taxes receivable, net		851,942
Prepaid expenses		11,489
<b>Total Assets</b>		1,163,055
<b>Liabilities</b>		
Accounts payable		15,813
Payroll withholding payable		10,643
Retirement payable		2,161
Garnishment		1,015
Capital Lease payable- Current		93,861
Capital Lease payable- Long-Term		532,136
<b>Total Liabilities</b>		655,629
<b>Fund Balance</b>		
Restricted		625,997
Unrestricted		(118,571)
<b>Total Fund Balance</b>		507,426
<b>Total Liabilities &amp; Fund Balance</b>	\$	1,163,055

The accompanying notes are an integral part of this statement.



**Caddo Parish Fire District No. 8**  
**Reconciliation of Fund Balance on the Balance Sheet**  
**For the Governmental Fund to the Net Assets of**  
**Governmental Activities on the Statement of Net Assets**  
**December 31, 2010**

**Statement D**

		2010
<b>Fund Balance – Governmental Fund</b>	<b>\$</b>	<b>507,426</b>
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p> <p>Capital assets used in governmental activities are not resources and therefore are not reported in the fund:</p>		
Cost of capital assets at December 31, 2010		2,690,640
Accumulated depreciation as of December 31, 2010:		(1,705,089)
<b>Net Assets of Governmental Activities</b>	<b>\$</b>	<b>1,492,977</b>

The accompanying notes are an integral part of this statement.

**Caddo Parish Fire District No. 8**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2010**

**Statement E**

		General Fund
<b>Revenues</b>		
Ad-valorem tax & fees	\$	851,942
Intergovernmental revenues:		
State fire insurance rebate		29,546
State revenue sharing		4,983
State Supplemental Pay		19,210
Grant income		4,065
Interest earnings		8,059
Other		1,331
		919,136
 <b>Expenditures</b>		
Public Safety:		
Personal Services		107,636
Operating Services		371,195
Material & Supplies		34,570
Depreciation & Other		196,113
Lease Debt Service		90,063
Lease Interest Expense		30,201
Capital Outlay		36,871
		866,649
 <b>Excess (Deficiency) of Revenues over Expenditures</b>		52,487
 <b>Net Change in Fund Balance</b>		52,487
 <b>Fund Balance, Beginning of Year</b>		695,022
 <b>Fund Balance, Ending</b>	\$	747,509

The accompanying notes are an integral part of this statement.

**Caddo Parish Fire District No. 8**  
**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, 2010**

**Statement F**

		2010
<b>Net Change in Fund Balance – Governmental Fund</b>	<b>\$</b>	<b>52,487</b>
<p>Amount reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		144,048
		144,048
<b>Change in Net Assets of Governmental Activities</b>	<b>\$</b>	<b>196,535</b>

The accompanying notes are an integral part of this statement.

## **Notes to the Financial Statements**

**Caddo Parish Fire District No. 8**  
**Notes to the Financial Statements**  
**December 31, 2010**

INTRODUCTION

The Caddo Parish Fire District No. 8 (the "District") is a component unit of Caddo Parish, Louisiana. The District is governed by a Board of six members who serve without compensation.

The District provides fire and emergency services for the citizens and municipalities within the District. The District currently employs six employees and has in excess of 60 volunteers.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 14:514 and to the guides set forth in the Louisiana Governmental Audit Guide, and to the AICPA Industry Audit Guide, Audits of State and Local Governmental Units. The more significant of the District's accounting policies are described below.

B. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification section 2100, the District includes all funds that are within its oversight responsibility. The District is a component unit of the Caddo Parish Commission, the financial reporting entity. The Commission is financially accountable for the district because it appoints a voting majority board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Commission, the general governmental services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**Caddo Parish Fire District No. 8**  
**Notes to the Financial Statements**  
**December 31, 2010**

**C. BASIC FINANCIAL STATEMENTS**

**Government-Wide Statements**

The District financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District net assets are reported in two parts – invested in capital assets and unrestricted.

The governmental-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues that are directly associated with the function. The net cost – by function – is normally covered by general revenues.

**Fund Financial Statements**

The financial transactions of the District are recorded in individual funds in the fund financial statements. A fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The District has one fund, a general fund. The general fund is the general operating funds of the District. 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 Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or combined categories) for the determination of major funds. The District's governmental fund is considered 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.

**Government-Wide Financial Statements**

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.

**Caddo Parish Fire District No. 8**  
**Notes to the Financial Statements**  
**December 31, 2010**

The revenues of the District consist primarily of property taxes. Property taxes are billed and generally collected within the fiscal year in which the taxes are levied. Interest income is recorded as it is earned. Donations and inter-governmental revenues are recorded when they are received due to the lack of measurability prior to that date.

**Fund Financial Statements**

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis, revenue is recorded when it is susceptible to accrual; that is, when it is both measurable and available. The District considers amounts collectible within 60 days after year-end to be available for purposes of the above definition. Expenditures are recorded when incurred. Depreciation is not recognized in the governmental fund financial statements.

**E. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. The District considers time deposits and those investments with maturities of 90 days or less as cash equivalents. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**F. PREPAID ITEMS**

Items paid in the current year benefiting future periods are treated as assets.

**G. ACCOUNTS RECEIVABLE**

Uncollectible amounts due for ad valorem taxes are recognized using the allowance method. Historical trends reflect that uncollectible receivables are immaterial in amount. As such, all receivables are considered collectible and no allowance for uncollectible receivables has been included in the financial statement. Structure fees of \$189,053 were not included in the accounts receivable or sales for 2009. They are shown as corrected in this report.

**H. CAPITAL ASSETS**

Fixed assets of the District are included on the balance sheet of the fund at cost. The District capitalizes additions, improvements, and other capital outlays that significantly extend the useful life of previously capitalized assets. Cost incurred for repairs and maintenance is treated as period costs and, as such, is expensed as incurred.

**Caddo Parish Fire District No. 8**  
**Notes to the Financial Statements**  
**December 31, 2010**

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

Buildings and improvements	40 years
Furniture, fixtures and office equipment	5 – 10 years
Fire trucks and vehicles	15 years
Equipment	10 years

#### I. BUDGETS

The District adopts an annual budget on a basis consistent with GAAP. Proposed budgets are presented to the District's Board of Commissioners for review and approval. Budgets are adopted in accordance with Local Government Budget Law. Once adopted, budgets may be amended, as necessary, by the District. All appropriations lapse at year end.

Formal budget integration is employed as a management control device. Budget amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments, if any.

#### J. COMPENSATED ABSENCES

The District has not adopted a leave policy regarding sick or vacation time. As such, no accrual for uncompensated absences was made in these financial statements.

#### K. 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.

#### 2. AD VALOREM TAXES

For the year ended December 31, 2010, taxes of 16.00 mills were levied on property with assessed valuations totaling \$29,615,250. Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15<sup>th</sup> of the current year, and become delinquent after December 31<sup>st</sup>. Property taxes not paid by the end of February are subject to lien. The District also collects a service fee of \$75.00 per structure. Structure fees of \$189,053 were not included in the accounts receivable or sales for 2009. They are shown as corrected in this report.



**Caddo Parish Fire District No. 8**  
**Notes to the Financial Statements**  
**December 31, 2010**

**3. CASH AND CASH EQUIVALENTS**

At December 31, 2010, the District had cash and cash equivalents (book balances as follows:

Cash & cash equivalents	\$	125,460
Time deposits		174,164
 Total Cash & cash equivalents	 \$	 299,624

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 pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2010, the District had \$299,000 in deposits. These deposits were secured from risk by \$250,000 of federal deposit insurance.

**4. CAPITAL ASSETS**

The following as a summary of capital assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets:				
Land	\$ 25,000	\$ -	\$ -	\$ 25,000
Buildings	621,262	-	-	621,262
Trucks	1,336,759	24,785	11,500	1,350,044
Equipment	682,247	12,086	-	694,334
Total	2,665,268	36,871	(11,500)	2,690,640
Accumulated Depreciation	(1,536,841)	(179,748)	11,500	(1,705,089)
Capital assets, net	\$ 1,128,427	(142,877)	\$ -	\$ 985,551

**5. LOUISIANA FIREFIGHTERS RETIREMENT**

Substantially all employees of the District are members of the Louisiana Firefighters' Retirement System (the "Plan"). The Plan is a cost-sharing, multiple-employer defined benefit pension plan that is administered by an independent board of trustees.

**Caddo Parish Fire District No. 8**  
**Notes to the Financial Statements**  
**December 31, 2010**

Membership in the Plan is mandatory for all full-time firefighters employed by a municipality, parish, or fire district that did not enact an ordinance prior to January 1, 1980, exempting itself from participation. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service, or at or after age 50 with at least 20 years of creditable service. Upon retirement members are entitled to a retirement benefit that is payable monthly for life. The monthly benefit is equal to three and one-third percent of their final average salary. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminated with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of service at termination) and receive the benefit accrued to their date of termination. The Plan also provides death and disability benefits. Benefits are established and amended by state statute.

The Plan issues an annual publicly available financial report that includes the financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804.

Members of the Plan are required by state statute to contribute 8 percent of their annual covered salary. The District is required to contribute an actuarially determined rate. The rate for the first half of 2010 was 14% and then 21.50% after July 1, 2010. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided in Louisiana Revised Statute 11:103, the employer contributions to the Plan for the years ended December 31, 2010 and 2009 totaled \$53,171 and \$20,155 respectively.

**6. CAPITAL LEASES**

The District entered into a long-term capital lease for the purchase of fire trucks and other firefighting equipment. The debt service requirements to maturity for the lease are as follows:

Year Ended		Principle	Interest
2011	Current	93,861	26,403
2012		97,820	22,444
2013		101,946	18,318
2014		106,246	14,019
2015		110,727	9,537
2016		115,397	4,867
Total		\$ 625,997	\$ 95,588

## **Required Supplemental Information**

**Caddo Parish Fire District No. 8**  
**Schedule I**  
**Schedule of General Government Expenditures – Budget**  
**And Actual (GAAP Basis) – General Fund**  
**For the Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>Revenues:</b>				
Ad valorem taxes	\$ 473,844	\$ 617,192	\$ 610,198	\$ (6,994)
Service fees	234,525	234,750	241,744	6,994
State Revenue sharing	3,351	3,737	4,983	1,246
Fire insurance rebate	29,544	29,546	29,546	-
State supplemental pay	-	-	19,210	19,210
Miscellaneous	4,565	7,584	13,490	5,906
<b>Total revenues</b>	<b>746,329</b>	<b>892,809</b>	<b>919,171</b>	<b>26,362</b>
<b>Expenditures:</b>				
Accounting & Legal	5,000	5,100	5,515	(415)
Benefits & taxes	50,308	58,482	59,351	(869)
Communication	5,000	7,000	3,919	3,081
Capital Outlay	174,764	205,264	159,232	46,032
Depreciation	-	-	179,748	(179,748)
Fire Prevention	2,000	2,000	1,940	60
Fire Supplies	4,000	4,000	2,184	1,816
Fuel	11,000	15,000	15,461	(461)
Insurance- Health	35,190	41,520	39,162	2,358
Insurance- Liability	43,068	47,991	42,608	5,383
Insurance-Work Comp	23,999	12,939	10,955	1,984
Medical	4,000	4,500	2,266	2,234
Miscellaneous	2,150	3,650	2,951	699
Office & Dues	4,000	6,000	6,354	(354)
Repairs&Maintenance	93,500	160,000	43,085	116,915
Salaries & Wages	226,544	246,241	209,940	36,301
Shirts & Caps	3,000	4,000	4,004	(4)
Tax Roll Preparation	31,806	36,122	33,844	2,278
Travel & Training	6,000	9,000	6,510	2,490
Uniforms	3,000	4,000	2,969	1,031
Utilities	18,000	20,000	19,630	370
<b>Total expenditures</b>	<b>746,329</b>	<b>892,809</b>	<b>851,628</b>	<b>41,181</b>
Excess of revenue over expenditures	\$ -	\$ -	\$ 67,543	\$ 67,543

The accompanying notes are an integral part of this statement

**Caddo Parish Fire District No. 8**  
**Schedule 2**  
**Per Diem Paid Board Members**  
**For the Year Ended December 31, 2010**

The schedule of per diem paid to commissioners was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The commissioner members of Caddo Parish Fire District No. 8 did not receive any per diem or other compensation for their service on the board during the years ended December 31, 2009 and 2008.

<u>2009</u>	<u>2008</u>
Whitlow Giles, President	Whitlow Giles, President
Marvin Cross, Treasurer	Marvin Cross, Treasurer
David Austin	David Austin
Claude Jackson	Mark Davis
Haywood Williamson	Claude Jackson
DeMario Thomas	Haywood Williamson

The accompanying notes are an integral part of this statement.

## ***Other Reports***



**AGEE & AGEE, P.C.**

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June 27, 2011

Board of Commissioners  
Caddo Parish Fire District No. 8  
Vivian, Louisiana

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*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Caddo Parish Fire District No. 8, as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements, and have issued our report thereon dated June 27, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Caddo Parish Fire District No. 8's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Caddo Parish Fire District No. 8's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Caddo Parish Fire District No. 8's internal control over financial reporting.

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 misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in



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internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weakness, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. Findings 2010-01. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Caddo Parish Fire District No. 8's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 schedule of findings and questioned costs as items 2010-01.

Caddo Parish Fire District No. 8's response to the findings identified in our audit is described in the accompany schedule of findings and questioned costs. We did not audit Caddo Parish Fire District No. 8's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, Board of Commissioners, Caddo Parish Commission, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

  
Agee & Agee, PC

Shreveport, Louisiana  
June 27, 2011



**Caddo Parish Fire District No. 8**

**Status of Prior Audit Findings  
For the Year Ended December 31, 2010**

**Finding 2008-02**

Condition:

On multiple occasions, the District failed to timely deposit employment taxes resulting in penalty and interest tax notices and payments.

Current Status:

District has still failed to make timely payments on employment taxes.

**Finding 2009-1**

Condition:

The District was accruing employer payroll taxes at an incorrect rate for its employees.

Current Status:

The District is now using the correct rate for its employees.

**Finding 2009-2**

Condition:

Several live checks in the system had not been properly voided.

Current Status:

The checks have been properly voided.

**Finding 2009-3**

Condition:

Employee retirement garnishments were being withheld from paychecks without being sent into the managing fund.

Current Status:

This condition is still occurring within the District and has been properly documented.

## **Caddo Parish Fire District No. 8**

### **Current Year Findings, Recommendations and Corrective Action Plan**

**For the Year Ended December 31, 2010**

#### Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Caddo Parish Fire District No. 8.
2. No control deficiencies or material weaknesses were disclosed during the audit of the financial statement as noted in the 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*.
3. Instances on noncompliance were disclosed during the audit.
4. No separate management letter was issued.

#### **Current Year Findings**

##### **Finding 2010-01**

###### Condition:

The District has overpaid on their Retirement plan for the year 2010 and should make the proper corrections to each employee's plan.

###### Cause of Condition:

The District has incorrect bookkeeping of the amounts withheld from the employee's checks and incorrect calculations and withholding rates.

###### Effect of Condition:

The District has overpaid on the Retirement plan and certain employee's benefits could be incorrect.

###### Corrective Plan:

Personnel will be taught the necessary steps involved in correct bookkeeping, changing the rates, and the correct calculations.

###### District Response:

Closer supervision will be provided.

**Caddo Parish Fire District No. 8**

**Current Year Findings, Recommendations and  
Corrective Action Plan**

**For the Year Ended December 31, 2010**

**Finding 2010-02**

**Condition:**

The District has failed to pay in retirement payments for employee, Garrett Farmer, for the months January through May. The money withheld from his checks should be reimbursed if he was a part-time employee or paid into the Retirement plan if he was a fulltime employee.

**Cause of Condition:**

This condition was caused by human error and incorrect bookkeeping of the District.

**Effect of Condition:**

The employee could be owed a refund of the amount withheld from his checks or the retirement payments need to be paid in to the plan.

**Corrective Plan:**

The District should use direct totals from the Peachtree Software and do not make spread sheets because the wrong numbers are used or not reported in some cases.

**District Response:**

Closer supervision will be provided.

**Caddo Parish Fire District No. 8**

**Current Year Findings, Recommendations and  
Corrective Action Plan**

**For the Year Ended December 31, 2010**

**Finding 2010-03**

**Condition:**

On multiple occasions, the District failed to timely deposit SUTA and state payroll taxes resulting in penalty and interest tax notices and payments. Also, federal payroll taxes were overpaid by \$1,856.07.

**Cause of Condition:**

The District has incorrect bookkeeping with incorrect calculations of taxes and rates. Also there is incorrect knowledge of when state and SUTA taxes are to be paid in.

**Effect of Condition:**

The effect on the District is paying penalties and interest because of the late or missing payments.

**Corrective Plan:**

The District should use direct numbers from the Peachtree Software and make no additional handwritten spreadsheets to cause error. The rates should be check each year to make sure they are correct. The SUTA and state payroll taxes should be checked to make sure they are being paid in on the quarter.

**District Response:**

Closer supervision will be provided.