

**Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana**

Financial Statements With Auditor's Report

As of and For the Year Ended December 31, 2021

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana

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Independent Auditors' Report

To the Board of Commissioners
Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and major fund of Webster Parish Fire Protection District No. 9, a component unit of the Webster Parish Police Jury, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Webster Parish Fire Protection District No. 9's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of Webster Parish Fire Protection District No. 9, as of December 31, 2021, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Webster Parish Fire Protection District No. 9 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Webster Parish Fire Protection District No. 9's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Webster Parish Fire Protection District No. 9's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Webster Parish Fire Protection District No. 9's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 19 – 20, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Webster Parish Fire Protection District No. 9's basic financial statements. The accompanying other supplementary information, Schedule of Per Diem Paid Commissioners and Schedule of Compensation, Benefits, and Other Payments to Agency Head on pages 21 – 22 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Per Diem Paid Commissioners and the Schedule of Compensation, Benefits, and Other Payments to Agency Head, shown on pages 21 – 22 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2022, on our consideration of Webster Parish Fire Protection District No. 9'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 solely 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 Webster Parish Fire Protection District No. 9'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 Webster Parish Fire Protection District No. 9's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
August 26, 2022

Webster Parish Fire Protection District No. 9
 Shongaloo, Louisiana
 Statement of Net Position
 December 31, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 244,970
Investments	36,558
Accounts receivable - ad valorem taxes	288,666
Prepaid expenses	9,781
Capital assets:	
Depreciable	<u>1,905,570</u>
Total assets	<u>2,485,545</u>
LIABILITIES	
Accounts payable and accrued expenses	5,924
Non-current liabilities	
Due within one year	111,917
Due in more than one year	<u>352,681</u>
Total liabilities	<u>470,522</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue- ad valorem taxes	<u>311,033</u>
NET POSITION	
Net investment in capital assets	1,440,972
Unrestricted	<u>263,018</u>
Total net position	<u>\$ 1,703,990</u>

See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 9
 Shongaloo, Louisiana
 Statement of Activities
 For the Year Ended December 31, 2021

GOVERNMENTAL ACTIVITIES

Expenses:

Public safety - fire protection	\$ 217,963
Interest on long-term debt	18,071
	236,034

General revenues:

Ad valorem taxes	317,724
Fire insurance rebate	5,195
Interest income	405
Water meter receipts	7,059
Other income	2,555
Total general revenues	332,938

Change in net position	96,904
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Net position - beginning	1,607,086
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Net position - ending	\$ 1,703,990
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See accompanying notes and independent accountants' review report

Webster Parish Fire Protection District No. 9
 Shongaloo, Louisiana
 Balance Sheet
 Governmental Fund
 December 31, 2021

	General Fund
Assets	
Cash	\$ 244,970
Investments	36,558
Accounts receivable- ad valorem taxes	288,666
Total assets	\$ 570,194
Liabilities	
Accounts payable	\$ 2,083
Total liabilities	2,083
Deferred inflows of resources	
Unavailable revenue	
Ad valorem taxes	311,033
Total deferred inflows of resources	311,033
Fund balance	
Unassigned	257,078
Total liabilities, deferred inflows of resources and fund balance	\$ 570,194

The accompanying notes are an integral part of this statement.

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Reconciliation of the Balance Sheet of the Governmental Fund
to the Statement of Net Position
December 31, 2021

Fund balance - total governmental fund	\$ 257,078
Amounts reported for governmental activities in the statement of net position are different because:	
The nonallocation method of accounting for prepayments is used in the fund statements since the prepayment does not provide expendable financial resources - prepaid expenses	
	9,781
Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds.	
Capital lease payable	(464,598)
Accrued interest payable	(3,841)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental	<u>1,905,570</u>
Net position of governmental activities	<u>\$ 1,703,990</u>

The accompanying notes are an integral part of this statement.

Webster Parish Fire Protection District No. 9
 Shongaloo, Louisiana
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Governmental Fund
 For the Year Ended December 31, 2021

	General Fund
Revenues	
Ad valorem taxes	\$ 317,724
Intergovernmental revenue:	
Fire insurance rebate	5,195
Water meter receipts	7,059
Interest income	405
Miscellaneous	2,555
Total revenues	332,938
Expenditures	
Current - public safety - fire protection	84,961
Capital outlay	572,912
Debt service:	
Principal retirement	109,209
Interest and other charges	14,230
Total expenditures	781,312
Excess (deficiency) of revenues over expenditures	(448,374)
Other financing sources:	
Proceeds from capital lease	573,807
Change in fund balance	125,433
Fund balance at beginning of year	131,645
Fund balance at end of year	\$ 257,078

The accompanying notes are an integral part of this statement.

Webster Parish Fire Protection District No. 9
 Shongaloo, Louisiana
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balance of the Governmental Fund to the Statement of Activities
 For the Year Ended December 31, 2021

Net change in fund balance - total governmental fund	\$	125,433
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>The nonallocation method of accounting for prepayments is used in the fund statements since the prepayment does not provide expendable financial resources.</p>		2,061
<p>The repayment of principal of long-term debt consumes current financial resources of governmental funds.</p>		109,209
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Capital Lease</p>		(573,807)
<p>Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds.</p>		(3,841)
<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 \$572,912 exceeded depreciation \$135,063 in the current period.</p>		437,849
Change in net position of governmental activities	\$	96,904

The accompanying notes are an integral part of this statement.

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Notes to Financial Statements
December 31, 2021

INTRODUCTION

The Webster Parish Fire Protection District No. 9 (the District) was created by the Webster Parish Police Jury in 1989 by a resolution to purchase and maintain fire equipment and to provide fire protection for the people of Webster Parish Fire Protection District No. 9. The District is governed by a board of commissioners consisting of 5 members. All members are appointed by the Webster Parish Police Jury.

(1) Summary of Significant Accounting Policies

The Webster Parish Fire Protection District No. 9'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. 9 are discussed below.

A. Reporting Entity

Because the Webster Parish Police Jury appoints the 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 Webster Parish Police Jury.

B. Basic Financial Statements – Government-Wide Statements

The Webster Parish Fire Protection District No. 9's basic financial statements include both government-wide (reporting the funds maintained by the Webster Parish Fire Protection District No. 9 as a whole) and fund financial statements (reporting the Webster Parish Fire Protection District No. 9'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. 9's general fund is classified as governmental activities. The Webster Parish Fire Protection District No. 9 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. 9's net position is reported in two parts – net investment in capital assets, and unrestricted net position.

(Continued)

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Notes to Financial Statements
December 31, 2021
(Continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the Webster Parish Fire Protection District No. 9'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, 2021. 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. 9 as an entity and the change in the Webster Parish Fire Protection District No. 9'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. 9 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. 9:

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. 9:

- a. General fund is the general operating fund of the Webster Parish Fire Protection District No. 9. 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. 9
Shongaloo, Louisiana
Notes to Financial Statements
December 31, 2021
(Continued)

Revenues of the Webster Parish Fire Protection District No. 9 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 2021 tax levy is intended to fund the 2022 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.

F. Cash, Cash Equivalents, and Investments

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. 9
Shongaloo, Louisiana
Notes to Financial Statements
December 31, 2021
(Continued)

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

G. Capital Assets

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

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

Buildings and Improvements	10 – 30 years
Equipment	5 – 15 years
Vehicles	5 – 30 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 report 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, 2021.

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. 9
Shongaloo, Louisiana
Notes to Financial Statements
December 31, 2021
(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 defined the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 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. 9
 Shongaloo, Louisiana
 Notes to Financial Statements
 December 31, 2021
 (Continued)

M. Prepaid Items

Certain payments to vendors reflect costs applicable to future periods and are reported as prepaid expenses in the government-wide financial statements.

N. Fair Value Measurements

Generally accepted accounting principles require disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 inputs – The valuation is based on quoted market prices for identical assets or liabilities traded in active markets;

Level 2 inputs – The valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability;

Level 3 inputs – The valuation is determined by using the best information available under the circumstances and might include the government's own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on lowest level of any input that is significant to the fair value measurement.

(2) Levied Taxes

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

	Authorized Millage	Levied Millage	Expiration Date
Operating	11.41	11.41	2028
Operating	11.41	11.41	2023

(Continued)

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Notes to Financial Statements
December 31, 2021
(Continued)

(3) Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balance at Jan. 1, 2021	Additions	Deletions	Balance at Dec. 31, 2021
Governmental Activities:				
Capital assets, not being depreciated:				
Equipment in progress	\$ 150,000	\$	\$ (150,000)	\$
Total capital assets, not being depreciated at historical cost	150,000		(150,000)	
Capital assets, being depreciated:				
Buildings and improvements	553,611			553,611
Equipment	133,508			133,508
Vehicles	1,249,172	722,912	(57,000)	1,915,084
Total capital assets, being depreciated at historical cost	1,936,291	722,912	(57,000)	2,602,203
Less accumulated depreciation:				
Buildings and improvements	(188,701)	(19,172)		(207,873)
Equipment	(116,070)	(11,403)		(127,473)
Vehicles	(313,799)	(104,488)	57,000	(361,287)
Total accumulated depreciation	(618,570)	(135,063)	57,000	(696,633)
Total capital assets being depreciated, net	1,317,721	587,849		1,905,570
Governmental activities capital assets, net	<u>\$ 1,467,721</u>	<u>\$ 587,849</u>	<u>\$ (150,000)</u>	<u>\$ 1,905,570</u>

Depreciation expense for the year ended December 31, 2021 was \$135,063.

(Continued)

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Notes to Financial Statements
December 31, 2021
(Continued)

(4) Cash, Cash Equivalents, and Investments

At December 31, 2021, the District had cash, cash equivalents, and investments (book balances), totaling \$281,528 as detailed below.

Cash and Cash Equivalents

The District had cash and cash equivalents at December 31, 2021 (book balances) totaling \$244,970 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.

Investments

Included in investments at December 31, 2021, are certificates of deposits totaling \$36,558 with maturities of 90 days or more. The investments are presented in the financial statements at fair value using level 2 fair value measure for certificates of deposit.

Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2021, \$33,396 of the District's bank balances totaling \$283,396 were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging bank's trust department not in the District's name:

Investments	\$ <u>33,396</u>
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(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) Subsequent Events

Subsequent events have been evaluated through August 26, 2022, the date the financial statements were available to be issued.

(7) Uncertainty

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

(Continued)

Webster Parish Fire Protection District No. 9
 Shongaloo, Louisiana
 Notes to Financial Statements
 December 31, 2021
 (Continued)

(8) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2021, consisted of the following:

<u>Class of Payable</u>	<u>Governmental Activities</u>
Accounts payable	<u>\$ 2,083</u>
Total – fund statements	<u>2,083</u>
Accrued interest payable	<u>3,841</u>
Total – government-wide statements	<u>\$ 5,924</u>

(9) Long-term Liabilities

Long-term liability activity for the year ended December 31, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Capital lease	<u>\$</u>	<u>\$ 573,807</u>	<u>\$(109,209)</u>	<u>\$ 464,598</u>	<u>\$ 111,917</u>
Total long-term liabilities, governmental activities	<u>\$</u>	<u>\$ 573,807</u>	<u>\$(109,209)</u>	<u>\$ 464,598</u>	<u>\$ 111,917</u>

Capital Lease – Fire Trucks

During 2021, the District entered into a capital lease agreement to purchase three fire trucks. The lease agreement qualifies as a capital lease for accounting purposes. The trucks are included in capital assets at a cost of \$722,912, with accumulated depreciation totaling \$44,178 as of December 31, 2021. Interest has been imputed at a rate of 4%, and the District will make annual payments through July 2025. A security interest constituting a first lien on the fire trucks have been granted to the lessor. The debt service requirements to maturity are as follows:

<u>Year Ending December 31,</u>	
2022	123,439
2023	123,439
2024	123,439
2025	<u>123,439</u>
Total minimum lease payments	493,756
Less amounts representing interest	<u>(29,158)</u>
Present value of minimum lease payments	<u>\$ 464,598</u>

Interest expense in the statement of activities for the year ended December 31, 2021 was \$18,071.

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
Cash Basis
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts Original & Final	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Ad valorem taxes	\$ 300,000	\$ 317,724	\$ 17,724
Fire insurance rebate	5,000	5,195	195
Water meter receipts	6,500	7,059	559
Interest income	200	405	205
Miscellaneous		2,555	2,555
Total revenues	311,700	332,938	21,238
Expenditures			
Current - fire protection	95,130	84,122	11,008
Debt service:			
Principal retirement	109,209	109,209	
Interest and other charges	14,230	14,230	
Total expenditures	218,569	207,561	11,008
Change in fund balance	93,131	125,377	32,246
Fund balance at beginning of year	163,467	133,785	(29,682)
Fund balance at end of year	\$ 256,598	\$ 259,162	\$ 2,564

See accompanying note to the required supplementary schedule.

Webster Parish Fire Protection District No. 9
 Shongaloo, Louisiana
 Notes to Required Supplementary Information
 December 31, 2021

The District's budget is adopted on a cash basis for all funds. There were no amendments to the 2021 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)	\$ 125,377
Adjustments:	
Expenditure accruals – net	<u>56</u>
Excess of revenues and other sources over (under) expenditures and other uses (GAAP basis)	<u>\$ 125,433</u>

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Other Supplementary Information
Schedule of Per Diem Paid Commissioners
For the Year Ended December 31, 2021

PER DIEM AND OTHER PAID COMMISSIONERS

The following serve on the Board of Commissioners without compensation:

John Stanley, President	\$
Jessie Lee, Vice President	
(1) Sharyn Stanley, Secretary – Treasurer	
Tim Mouser, Commissioner	
Terry Pearce, Commissioner	
Peggy "Suzy" Evers, Secretary – Treasurer	<u>2,800</u>
	<u>\$ 2,800</u>

(1) until July, 2021

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Other Supplementary Information
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2021

Agency Head:

Tommy Rasberry, Fire Chief (January 1, 2021 to July 31, 2021)

PURPOSE	AMOUNT
Compensation	\$ 6,240

Nell Lee, Fire Chief (August 1, 2021 to December 31, 2021)

PURPOSE	AMOUNT
Other payments	\$ 2,923

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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

Independent Auditors' Report

To the Board of Commissioners
Webster Parish Fire Protection District No. 9

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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 Webster Parish Fire Protection District No. 9 as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Webster Parish Fire Protection District No. 9's basic financial statements, and have issued our report thereon dated August 26, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Webster Parish Fire Protection District No. 9's internal control over financial reporting (internal control) as a basis for designing 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 Webster Parish Fire Protection District No. 9's internal control. Accordingly, we do not express an opinion on the effectiveness of the Webster Parish Fire Protection District No. 9's internal control.

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 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. 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.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section 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. We identified a certain deficiency in internal control, described in the accompanying Summary Schedule of Current Year Findings, as item 2021-02, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Webster Parish Fire Protection District No. 9'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 financial statements. 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Summary Schedule of Current Year Findings, as item 2021-01.

Webster Parish Fire Protection District No. 9's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Webster Parish Fire Protection District No. 9's response to the findings identified in our audit and described in the accompanying Summary Schedule of Current Year Findings. Webster Parish Fire Protection District No. 9's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



Cook & Morehart
Certified Public Accountants
August 26, 2022

Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana
Summary Schedule of Prior Year Findings
December 31, 2021

There were no findings for the prior year review for the year ended December 31, 2020.

Summary Schedule of Current Year Findings
For Louisiana Legislative Auditor
December 31, 2021

There are two findings for the current year audit for the year ended December 31, 2021.

Reference No:	2021-01 State Audit Law – Late Submission of Audit
Finding:	The audit report for the year ended December 31, 2021, was not submitted timely in accordance with state law.
Criteria:	State law requires reports to be submitted no later than six months after the District's year end.
Cause:	Accounting records and information was not complete in order to begin the audit procedures.
Effect:	The report was not submitted timely.
Recommendation:	We recommend the District established appropriate controls for ensuring the required reports will be submitted timely in the future.
Corrective Action Planned:	The District will establish controls to ensure that reporting requirements of the State Audit Law are met in the future.
Reference No:	2021-02 Material Weakness – Segregation of Duties
Criteria:	Internal controls should be in place to provide adequate segregation of duties over the accounting functions of the District.
Condition:	The District's Secretary/Treasurer performs substantially all accounting functions of the District including preparing deposits, disbursements, bank reconciliations, and maintaining the accounting records—general ledger.
Cause:	Due to the small size of the District and available resources, there is a lack of segregation of duties.
Effect:	Due to lack of segregation of duties, errors or irregularities could occur and not be detected.
Recommendation:	The District should consider implementing certain controls to segregate duties where feasible. The benefit from an internal control should not exceed its cost, therefore, it may not be practical to correct all deficiencies.
Corrective Action Plan:	The District will consider controls where feasible, but due to the size of the District and available resources, segregation of duties will not always be possible.

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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Commissioners
Webster Parish Fire Protection District No. 9
Shongaloo, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021 through December 31, 2021. The Webster Parish Fire Protection District No. 9's management is responsible for those C/C areas identified in the SAUPs.

Webster Parish Fire Protection District No. 9 (the District) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledges that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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 whether 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 collection for each type of revenue or agency fund additions (including 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, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- 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.
- 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 Statutes (R.S.)42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosures/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Exception: There are no written policies or procedures addressing the above areas.

Management's Response: Management will consider developing written policies and procedures for the above areas.

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.

The Board of Commissioners of the District met on a quarterly basis.

- b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Exception: The minutes of the Board of Commissioners did not reference or include budget-to-actual comparisons on the general fund.

Management's Response: Management will consider documenting budget-to-actual comparisons in the minutes.

c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned 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 unassigned fund balance in the general fund.

The District did not have a negative unassigned fund balance in the prior year review report.

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:

Management provided the requested information, along with management's representation that the listing is complete.

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);

Exception: Bank reconciliations were prepared but there was no documentation to indicate they were done within 2 months of the statement closing date.

Management's Response: Management will consider documenting the date the bank reconciliations are prepared.

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

Exception: There was no evidence that a member of management who does not handle cash, post ledgers, or issue checks reviewed each bank reconciliation.

Management's Response: Management will consider documenting that a member of the Board reviewed the bank reconciliations.

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.

No exceptions were found as a result of this procedure.

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).

Management provided the requested information, along with management's representation that the listing is complete.

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.

Management provided the requested information, along with management's representation that the listing was complete.

Exception: The individual responsible for collecting cash is also responsible for making deposits and for recording the transactions in the general ledger.

Management's Response: Management will explore options for providing additional segregation of duties.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

Exception: The District did not have bond or an insurance policy for theft.

Management's Response: Management will pursue obtaining bond or insurance policy for theft.

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). 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 and the cash is stored securely in a locked safe drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

The District does not write receipts for collections because the District does not have any actual cash collections. For the deposits selected for testing, the deposit slip total was located on the bank statement, and the actual deposit was traced to the general ledger.

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).

Management provided the requested information, along with management's representation that the listing is complete.

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.
- b) At least two employees are involved in processing and approving payments to vendors.
- 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.
- 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.

Segregation of duties exists as noted above, except for as follows:

Exception: One employee is responsible for initiating and processing payments. The same employee is also responsible for mailing signed checks for payments.

Management's Response: Management will consider additional segregation of duties in the future.

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 whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Management provided the requested information, along with management's representation that the listing is complete. For the transactions selected for testing, the disbursement matched the related original invoice, included supporting documentation indicating deliverables were received by the District, and included evidence of segregation of duties, except as noted below:

Exception: The employee who is responsible for processing payments can sign checks and mails the checks out to vendors.

Management's Response: Management will consider additional segregation of duties in the future.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards), 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.

Management represented there were no credit cards, debit cards, fuel cards or P-Cards.

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 whether 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) were reviewed and approved, in writing (or electronically approved), 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.].

Management represented there were no credit cards, debit cards, fuel cards or P-Cards.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

Management represented there were no credit cards, debit cards, fuel cards or P-Cards.

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 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). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny. For each transaction, report whether the transaction is supported by:

- 1) An original itemized receipt (i.e., identifies precisely what was purchased)
- 2) Written documentation of the business/public purpose.
- 3) Documentation of the individuals participating in meals (for meal charges only).

Management represented there were no credit cards, debit cards, fuel cards or P-Cards.

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, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

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

c) Observe 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).

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

Management represented that the District did not have any travel or travel related expense reimbursements for the fiscal period for testing.

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

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

c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).

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 the invoice and related payment agreed to the terms and conditions of the contract.

There were no contracts initiated or renewed during the fiscal period for testing

Payroll and Personnel

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.

Management represented that there were no employees during 2021.

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).

b) Observe that supervisors approved the attendance and leave of the selected employees or officials.

c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Management represented that there were no employees during 2021.

- 18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Management represented that there were no employees during 2021.

- 19. Obtain management's representation that employer and employee portions of third party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc) have been paid, and any associated forms have been filed, by required deadlines.

Management represented that there were no employees during 2021.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Management represented that there were no employees during 2021.

- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Management represented that there were no employees during 2021.

Debt Service

- 21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

Management provided the listing and representation that the listing was complete.

- 22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Management provided the listing and representation that the listing was complete.

The District did not have any debt covenant requirements for reserve balances.

Fraud Notice

23. 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.

The District represented that it did not have any misappropriations of public funds and assets during the fiscal period.

24. Observe 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

We observed the District has posted on its premises, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud waste, or abuse of public funds. The District does not have a website.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedures and discussed the results with management

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Management represented there were no employees during 2021.

27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Exception: The District did not have a written sexual harassment policy.

Management's Response: Management will consider adopting a written sexual harassment policy.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

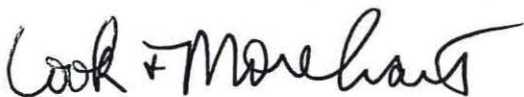
Exception: The District did not complete the required report for the current fiscal period.

Management's Response: The District will consider completing the required report in the future.

We were engaged by Webster Parish Fire Protection District No. 9, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. We were not engaged to and did not conduct an examination or review engagement, 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.

We are required to be independent of Webster Parish Fire Protection District No. 9, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended 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.



Cook & Morehart
Certified Public Accountants
August 26, 2022