

**WASHINGTON PARISH FIRE PROTECTION DISTRICT
NO. 8
ENON, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2021**

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
ENON, LOUISIANA
FINANCIAL REPORT
WITH INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2021
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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MC DUFFIE K. HERROD, LTD.
(A Professional Accounting Corporation)

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Independent Auditor's Report

Board of Commissioners
Washington Parish Fire
Protection District No. 8
Enon, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Washington Parish Fire Protection District No.8 (the "Fire District"), a component unit of the Washington Parish Government, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Fire District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the fiduciary funds, and the aggregate remaining fund information of the Fire District as of December 31, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis or Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United State of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fire District 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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 the Fire District'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.

Auditor's 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 generally accepted auditing standards 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment 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 the Fire District'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 the Fire District'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 management's discussion and analysis and budgetary comparison information 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Fire District's basic financial statements. The other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of compensation, benefits & other payments to agency head 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. Such 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, based on our

audit and other procedures performed as described above, the supplementary information is 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 issued a report dated February 16, 2023 on our consideration of the Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not provide an opinion on the effectiveness of the Fire District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fire District's internal control over financial reporting and compliance.



McDuffie K. Herrod, Ltd.
A Professional Accounting Corporation
February 16, 2023

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Washington Parish Fire Protection District No. 8 is pleased to present its annual financial report developed in compliance with Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis (MD&A) for State and Local Governments. This section presents management's overview and analysis of the financial activities of the organization for the fiscal year ended December 31, 2021. The MD&A describes the significant changes from the prior year that occurred in general operations and discusses activities during the year for capital assets and long term debt. The information presented here should be considered in conjunction with the financial statements taken as a whole.

FINANCIAL HIGHLIGHTS

- Total assets of the District at December 31, 2021 were \$1,161,709 and exceeded its liabilities by \$397,087 (net position). The District's unrestricted net position of \$168,120 may be used to meet the District's ongoing obligations for fire protection for its citizens. The restricted net position of \$110,034 is restricted for debt service. The balance of the net position is invested in capital assets (\$118,933). The condensed balance sheet is presented on governmental funds, but the financial highlights are presented on government-wide statements.
- Revenues consist primarily of ad valorem taxes, state revenue sharing, and insurance rebates. The total revenues for the year ended December 31, 2021 were \$165,490, representing an approximate increase of 5% from total revenues for the year ended December 31, 2020 of \$157,298.
- The District's operating expenditures for the government-wide funds were \$235,261, consisting of those expenditures from the District's ongoing operations. The District had an increase of \$60,599 over 2020 expenditures of \$764,662.
- The government-wide statements of activities recorded depreciation expense of \$68,911.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the District's basic financial statements which are comprised of the following three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The *government wide financial statements* are designed to provide readers with a broad overview of the District's finances taken as a whole, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. The statement includes all of the District's revenues and expenses, regardless of when the cash is received or paid.

All of the District's activities in the government-wide financial statements are principally supported by the general District revenues such as property taxes and structural fees. The governmental activities reported in government-wide financial statements include general government activity, the fire protection and interest on long-term debt.

The government-wide financial statements use the full accrual basis of accounting method which records revenues when earned and expenses at the time the liability is incurred, regardless of when the related cash flows take place.

The government-wide financial statements are located on pages 10-11 of this report.

FUND FINANCIAL STATEMENTS

The *fund financial statements* report the District's operations in more detail than the government-wide financial statements and focus primarily on short-term activities of the District. The fund financial statements measure only current revenues and expenditures and fund balances; excluding capital assets, long-term debt, and other long-term obligations.

The fund financial statements are prepared on the modified accrual basis, which means they measure only current financial resource and uses. Capital assets and other long-lived assets, along with long term liabilities, are not presented in the fund financial statements. These financial statements help determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship or differences between the government-wide and fund financial statements in a reconciliation following the fund financial statements.

The fund financial statements provide detailed information about each of the District's most significant funds called Major Funds. The District's Major Fund is the General Funds. The District currently has no non-major funds.

Comparisons of Budget and Actual financial information are presented for the General Fund.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The *notes* provide additional information that is essential to the reader for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presented required supplementary information concerning the budgetary comparison schedules presented immediately following the notes to the financial statements.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

This analysis focuses on the net position and change in net position of the District's Governmental Activities. Over time, net position may serve as a useful indicator of a government's financial position. The District's net position is reported as follows:

**Summary of Net Position
Governmental Activities**

Assets	2021	2020	Difference	%
Current and Other Assets	\$ 292,776	\$ 172,209	\$ 120,567	41.18%
Capital Assets, Net	868,933	310,769	558,164	64.24%
Total Assets	<u>1,161,709</u>	<u>482,978</u>	<u>678,731</u>	<u>58.43%</u>
Current Liabilities	47,622	16,120	(1,498)	(10.24%)
Noncurrent Liabilities	717,000	0	750,000	100%
Total Liabilities	<u>764,622</u>	<u>16,120</u>	<u>748,502</u>	<u>97.89%</u>
Net Position				
Invested in Capital Assets, net of related debt	118,933	310,769	191,836	161.30%
Restricted	110,034	0	110,034	100%
Unrestricted	168,120	156,089	12,031	7.16%
Net Position	<u>\$ 397,087</u>	<u>\$ 466,858</u>	<u>\$ (69,771)</u>	<u>(17.57%)</u>

Current assets increased due to an increase in cash of \$91,654. Capital assets increased due to the purchase of various capital assets offset by depreciation. Noncurrent liabilities increased due to the issuance of a capital lease offset by principal payments of lease and debt agreements.

Approximately 56% of the District's net position reflects its investment in capital assets net of any outstanding related debts used to acquire those capital assets. These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Approximately 44% of the District's net position is unrestricted and may be used to meet the District's ongoing obligations to its citizens. At the end of the fiscal year, the District was able to report positive balances in its sole category, governmental activities.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position. The narrative that follows describes the individual program expenses, program revenues, and general revenues in more detail.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

**Summary of Changes in Net Position
Statement of Activities**

	2021	2020	Difference	%
General Revenues:				
Ad Valorem Taxes	152,779	147,187	5,592	3.66%
State Revenue Sharing	7,233	4,721	2,512	34.73%
Insurance Rebate	5,278	5,378	(100)	1.89%
Other	200	12	188	94%
Total Revenues	165,490	157,298	8,192	4.95%
Program Expenditures				
Public Safety	235,261	174,662	60,599	25.76%
Change in Net Position	(69,771)	(17,364)	(52,407)	(75.11%)
Net Position, Beginning of Year	466,858	484,222	(17,364)	(3.72%)
Net Position, End of Year	397,087	466,858	(69,771)	(17.57%)

Government Activities-Governmental Funds

The District's governmental net position increased by \$181,989 compared to the prior year increase in net position of \$277,007.

Expenses

Expenditures increased \$62,979 or 5%. Total expenditures are \$793,425 for the current year compared to \$145,326 for the prior year. This was mostly due to an increase repairs and maintenance and depreciation.

Revenues

Total revenues consisting of property taxes, fire protection taxes, grants, interest earned, and other revenues increased \$8,192. Property taxes increased \$5,592. General obligation bonds were issued and the proceeds received totaled to \$750,000.

Fund Financial Analysis

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Unassigned fund balance may serve as a useful measurement of a government's net resources available for spending at the end of the fiscal year.

The General Fund is used to account for all revenues and expenditures related to the general operations for the District which are not accounted for in another fund. Fund balance decreased \$12,130 to \$168,219 from \$156,089.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
 WASHINGTON PARISH GOVERNMENT
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 DECEMBER 31, 2021

At the end of the current fiscal year, non-spendable fund balance was \$88,646 or 5% of the total fund balance. Assigned fund balance was \$1,549,775 or 83% of the total fund balance. The assigned fund balance is for station operations. The unassigned fund balance was \$222,860 or 12%.

General Fund Budgetary Highlights

The District adopted the budget for the General Fund prior to the start of the fiscal year. It was amended before the fiscal year ended. As required by state law, actual revenues and other sources cannot be less than 5% of budgeted revenues and other sources. Actual expenditures and other uses cannot be more than 5% of budgeted expenditures and other uses. The District was within these legal requirements. Actual expenditures were under budget by \$16,640 or 10%. Revenues were in compliance. Schedule I detailing budget compliance is included as Required Supplemental Information, following the notes to the financial statements.

Capital Assets

The District's capital assets, net of accumulated depreciation, consist of the following at December 31, 2021 and 2020:

	2021		2020		Change
Land	\$ 10,035	\$	10,035	\$	-
Fire Station	183,097		183,097		
Fire Trucks	1,442,063		906,519		535,544
Equipment	462,290		370,759		91,531
Accumulated Depreciation	(1,228,552)		(1,159,641)		(393,508)
Capital Assets, Net	<u>\$ 868,933</u>	\$	<u>310,770</u>	\$	<u>558,163</u>

The District purchased a fire truck for \$535,544. Equipment was purchased for \$91,531. Depreciation expense was recorded for \$68,911.

Debt Administration

The District's long-term liabilities consist of the following at December 31, 2021 and 2020:

	2021		2020		Change
Bonds Payable-short term	\$ 33,000	\$	0	\$	33,000
Bonds Payable-long term	717,000				717,000
Total	<u>\$ 750,000</u>	\$	<u>0</u>	\$	<u>750,000</u>

The District will make the initial payments on the obligation in 2022. The bonds issued are General Obligation Bonds Series 2021.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021

Financial Contact

The financial report is designed to provide a general overview of the District's finances, comply with finance related laws and regulations, and demonstrate the District's commitment to public accountability. Any questions or requests for additional information can be addressed to Washington Parish Fire Protection District No. 8, 17172 Lee Road, Franklinton, Louisiana, 70438. The District's telephone number is (985) 515-1898.

BASIC FINANCIAL STATEMENTS
(OVERVIEW)

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

STATEMENT A

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana
 Statement of Net Position
 December 31, 2021

	Governmental Activities
ASSETS:	
Cash and cash equivalents	\$ 32,885
Property tax receivables	138,424
Other receivables	1,161
Prepaid insurance	10,272
Cash and cash equivalents, restricted	110,034
Capital assets	
Land	10,035
Building, trucks, and equipment	2,087,450
Less accumulated depreciation	(1,228,552)
Total Capital Assets	868,933
Total Assets	\$ 1,161,709
LIABILITIES:	
Accounts Payable	9,489
Pension deduction	5,133
Long-term debt due in one year	33,000
Long-term debt due more than one year	717,000
Total Liabilities	764,622
Net Position	
Invested in capital assets, net of related debt	118,933
Restricted	110,034
Unrestricted	168,120
Total Net Position	\$ 397,087

See Accompanying Notes and Independent Auditor's Report

STATEMENT B

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana
 Statement of Activities
 For the Year Ended December 31, 2021

EXPENSES:

Advertising	\$ 3,179
Bond issue costs	9,671
Fuel, gas, and oil	6,805
Computer Expense	4,751
Insurance expense	26,812
Miscellaneous	110
Repairs and maintenance	26,606
Supplies	45,976
Training	300
Utilities and Telephone	30,590
Legal and accounting	5,848
Licenses	120
Pension expense	5,133
Depreciation expense	68,911
Interest	449
Total Program Expenses	<u>235,261</u>
Program Revenues:	
Ad valorem taxes	152,779
State revenue sharing	7,233
Insurance rebate	5,278
Other income	200
Total Program Revenues	<u>165,490</u>
Change in Net Position	(69,771)
Beginning Net Position, January 1, 2021	<u>466,858</u>
Ending Net Position, December 31, 2021	<u><u>\$ 397,087</u></u>

See Accompanying Notes and Independent Auditor's Report

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTION

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Statement C

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana
 Balance Sheet
 Governmental Funds
 December 31, 2021

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS:			
Cash and cash equivalents	\$ 32,885	\$ 110,034	\$ 142,919
Receivables	139,585	-	139,585
Prepaid Insurance	10,272	-	10,272
TOTAL ASSETS	<u>182,742</u>	<u>110,034</u>	<u>292,776</u>
 LIABILITIES AND EQUITY			
LIABILITIES:			
Accounts Payable	9,489	-	9,489
Pension deductions	5,133	-	5,133
Total Liabilities	<u>14,622</u>	<u>-</u>	<u>14,622</u>
 FUND BALANCE			
Nonspendable	10,272	-	10,272
Restricted for capital projects		110,034	110,034
Unassigned	157,848	-	157,848
Total Fund Balance	<u>168,120</u>	<u>110,034</u>	<u>278,154</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 182,742</u>	<u>\$ 110,034</u>	<u>\$ 292,776</u>

See Accompanying Notes and Independent Auditor's Report

Statement D

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana
Reconciliation of Governmental Funds - Balance Sheet
to Statement of Net Position
December 31, 2021

Total Fund Balances at December 31, 2021
Governmental Funds (Statement C) \$ 278,154

Total net assets reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources, therefore are not reported in the funds.

Those assets consist of:

Land	\$ 10,035	
Vehicles, furniture and equipment	2,087,450	
Less: Accumulated depreciation as of December 31, 2021	<u>(1,228,552)</u>	868,933

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet:

Bonds payable	(750,000)
	-

Net Position at December 31, 2021 (Statement A) \$ 397,087

See Accompanying Notes and Independent Auditor's Report

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Period Ended December 31, 2021

	General	Capital Projects Fund	Total Governmental Funds
REVENUES:			
Ad valorem taxes	\$ 152,779	\$ -	\$ 152,779
State revenue sharing	7,233	-	7,233
Insurance rebate	5,278	-	5,278
Other income	200	-	200
Total Revenues	<u>165,490</u>	<u>-</u>	<u>165,490</u>
EXPENDITURES:			
Fire protection	153,360	3,319	156,679
Bond issue costs	-	9,671	9,671
Capital Outlay	-	627,075	627,075
Debt service:			-
Principal retirement	-	-	-
Interest	-	-	-
Total expenditures	<u>153,360</u>	<u>640,065</u>	<u>793,425</u>
EXCESS (DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	12,130	(640,065)	(627,935)
OTHER FINANCING SOURCES (USES)			
Issuance of long term debt	-	750,000	750,000
Total other financing sources (uses)	<u>-</u>	<u>750,000</u>	<u>750,000</u>
NET CHANGE IN FUND BALANCE	12,130	109,935	122,065
Fund balance, January 1, 2021	<u>156,089</u>	<u>-</u>	<u>156,089</u>
Fund balance, December 31, 2021	<u>\$ 168,219</u>	<u>\$ 109,935</u>	<u>\$ 278,154</u>

See Accompanying Notes and Independent Auditor's Report

STATEMENT F

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana
 Reconciliation of Government Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 to the Statement of Activities
 For the Year Ended December 31, 2021

<u>Total Net Change in Fund Balances - Governmental Funds (Statement E)</u>	\$ 122,065
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Amounts reported for governmental activities in the Statement of Activities are different because:

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. This is the amount by which depreciation expense is in excess of capital expenditures for the period.	627,075
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Depreciation expense allocates the cost of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement	(68,911)
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Proceeds from issuance of bonds: Bonds proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position	(750,000)
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<u>Changes in Net Position of Governmental Activities (Statement B)</u>	<u>\$ (69,771)</u>
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Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 1 DESCRIPTION OF COMPONENT UNIT AND REPORTING

The 1991 Louisiana Legislature, pursuant to Louisiana Revised statute 40:1491, created the Washington Parish Fire Protection Districts. Washington Parish Fire Protection District No.8 was created by an ordinance adopted on December 12, 1994, by the Washington Parish Government. The District shall constitute a public corporation and as such shall have all the powers of public corporations, including perpetual existence and the right and power to incur debt and contract obligations, to sue and be sued, and to have a corporate seal. The District shall also be authorized to do and perform all acts in its corporate capacity and in its name, necessary and proper, for the purposes of acquiring, maintaining and operating buildings, machinery, equipment, water tank, water hydrants, water lines, and such other things as might be necessary or proper for effective fire prevention and control as considered necessary by the parish governing body of the District for the protection of the property within the limits of the District against fire.

The governing body of the parish shall appoint a five-member board that shall perform all duties, functions, and powers responsible for the operation and maintenance of the District. All funds of the District shall be administered by the board. The board of commissioner members may be paid a per diem of fifty dollars for attending meetings of the board, and may be reimbursed any expenses incurred in performing the duties imposed upon them.

The District covers 43.7 square miles in a portion of Ward 6 in Washington Parish. There are no incorporated municipalities within the boundaries of the District. It serves approximately 4,325 people and businesses located within the boundaries of the District. The District operates out of two fire stations which are located as follows: Station No. 1 located at the corner of Spencer Road and Cemetery Road and Station No. 2 on Louisiana Highway 16. The District does not employ any compensated employees and, therefore, operates with a volunteer staff of firefighters.

REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Washington Parish Government is the financial reporting entity for Washington Parish. The financial reporting entity consists of (a) the primary government, parish council, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Washington Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the parish council to impose its will on that organization and/or

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish council.
2. Organizations for which the parish council does not appoint a voting majority but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of this organization is not included because of the nature or significance of the relationship.

Because the parish council appoints a voting majority of the District's governing board and the parish council has the ability to impose its will on the District, the District was determined to be a component unit of the Washington Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

Government-Wide Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements distinguish between those activities of the District that are governmental and those that are considered business type activities.

Fund Financial Statements

During the year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

B. FUND ACCOUNTING

The District uses funds to maintain its financial records during the year. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursements of specific or legally restricted monies. Governmental funds of the District include:

- a. General Fund – the general operating fund of the District accounts for all financial resources, except those required to be accounted for in other funds.

C. BASIS OF ACCOUNTING

The accompanying financial statements of the Washington Parish Fire Protection District No. 8 have been prepared in conformity with generally accepted accounting principles of the United State of America (GAAP) as applied to government units. The accompanying financial statements have been prepared in

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

conformity with GASB-34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. Under GASB-34, a statement of net assets and statement of activities are prepared which are presented on the accrual basis of accounting. The significant differences are capital outlay is reported as an asset and depreciated in the government-wide statement. Also, long term obligations are recorded as liabilities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The accounting and financial reporting treatment applied to a fund is determined by its measurement of focus. With this measurement of focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Long term assets and long term liabilities are included in the governmental-wide statements. Operating statements of governmental funds present increases (revenues), other financing sources and decreases (expenditures), and other financing uses are included in current assets.

The government-wide statement of net position and statement of activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with operation of these activities are included on the statement of net position.

The statement of net position and statement of activities are presented on the accrual basis of accounting. Under this method of accounting exchange, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The modified accrual basis of accounting is used by the governmental funds. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. Effective for financial statements issued after June 30, 2000, GASB Statement 33, Accounting and Financial reporting for Non-exchange Transactions, defines a non-exchange transaction as a transaction whereby the government gives or receives value without directly receiving or giving equal value in return. Property taxes are imposed non-exchange revenues which result from assessments imposed on non-governmental entities including individuals. Assets should be recognized when the government has an enforceable lien or legal claim to the resources, or the resources are received, whichever occurs first. Property tax revenues are recognized in the period in which the District has legal claim to the resources. However, for revenue to be recognized under the modified accrual basis, the measurable and available criteria must also be met. Governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized in the accounting period they become available and measurable. Donations, fund raising net revenues and state revenue sharing is recorded when received. Ad valorem taxes become a lien against the assessed property on assessment date or levy date. Property taxes collected by the taxing authority, but not remitted to the District at year-end, are accrued in revenue and included in property tax receivable.

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

Expenditures

Expenditures are recognized in the accounting period when the fund liability is incurred.

D. DEPOSITS AND INVESTMENTS

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of the acquisition. State law and the District's investment policy allow the District to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

E. RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

F. INVENTORIES AND PREPAID ITEMS

Purchase of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items fund financial statements.

G. RESTRICTED ASSETS

Certain proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes are classified as restricted assets because their use is limited to specified expenditures.

H. CAPITAL ASSETS

Capital assets are recorded as expenditures at the time purchased or constructed. No depreciation has been provided on general capital assets. All capital assets are valued at historical cost or estimated historical cost. Donated assets are valued at fair market value on the date donated. The costs of all assets acquired prior to 1989 have been valued using estimated historical cost.

Fire Stations	40 years
Fire Trucks and Other Trucks	5-20 years
Equipment	3-10 years

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

I. COMPENSATED ABSENCES

The District does not have any paid employees; therefore, it does not have a formal leave policy.

J. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from Governmental Funds are reported in the debt service fund.

K. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

In the governmental fund financial statements, deferred inflows of resources are reported for receivables recorded in the governmental fund financial statements for which the revenue is not available or amounts received before the period for which property taxes are levied. In the government wide financial statements, deferred inflows of resources are reported for amounts received before the period for which property taxes are levied.

L. NET POSITION

In the government wide financial statements, equity is classified as net position. The District has the following categories of net position:

- Invested in capital assets, net of related debt – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or indebtedness attributable to acquisition, construction, or improvement of those assets. If there are significant unspent proceeds at year-end, the portion of the debt attributable to unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position calculation as unspent proceeds.
- Restricted – this component of net position consists of constraints placed on the asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or law or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – This component of net position consists of assets and liabilities that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Governmental funds are classified as follows:

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

- **Nonspendable** -These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** -These are amounts that can be spent only for specific purpose because of constitutional provisions, enabling legislation, or externally imposed constraints by creditors, grantor, contributors or the laws or regulations of other governments.
- **Committed** -These are amounts that can be used for specific purpose determined by a formal decision by the Board Members, which are the highest level of decision-making authority for the District.
- **Assigned** -These are amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purpose.
- **Unassigned** -These are all other spendable amounts.

M. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence.

N. ESTIMATES

The preparation of financial statements in conformance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, and expenses during the reported period. Actual results could differ from those estimates.

NOTE 3 - LEVIED TAXES

On April 29, 1995, the District offered two tax propositions to the voters of the District for funding fire protection. A 6 mill tax for the purpose of acquiring, constructing, improving, maintaining and/or operating fire protection facilities and equipment in and for the District, and paying the cost of obtaining water for fire protection purposes for a period of 10 years beginning 1995 and ending with the year 2005 was passed by voters of the District. This proposition was renewed by the voters of the District on April 5, 2014. For the period covered by these financial statements, the millage was 12.06 mills.

**Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021**

2021 Assessed property value	\$ 15,901,430
Less: Homestead Exemption	(3,058,201)
Taxable Value	\$ 12,843,229
General Fund	
12.06 Mill Assessment	\$ 154,889
Net Assessment	\$ 154,889

On November 3, 2020, voters of the District approved a property tax with an estimated 6.75 mills. The tax is for \$750,000 bond with an interest rate not to exceed 6%. The bond is for the purpose of acquiring, constructing and improving buildings, machinery and equipment, including fire stations, to be used in giving fire protection to the property in the District. This tax will appear on the millage for 2022.

NOTE 4 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The District was in compliance with the Local Budget Act which requires that budgeted revenues not exceed actual amounts by more than 5% and actual expenditures not exceed budgeted revenues by more than 5%. Actual revenues were less than budgeted revenues by 3%. Budgeted expenditures were 10% more than actual expenditures.

NOTE 5 - CASH AND CASH EQUIVALENTS

At December 31, 2021, the District has cash and cash equivalents consisted of the following:

Demand Deposits	\$ 142,919
-----------------	------------

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. These securities are to be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2021, the District had \$189,840 in collected bank deposits. These deposits were secured from risk by \$250,000 of federal deposit insurance.

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 6 - RECEIVABLES

The following is a summary of receivables at December 31, 2021:

		General Fund		
Ad Valorem	\$	138,424		
Other		1,161		
Total	\$	<u>139,585</u>		

NOTE 7 - CAPITAL ASSETS

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

	Beginning Balance	Additions	Disposals	Ending Balance
Non-depreciable capital assets not being depreciated:				
Construction in Progress	\$ 0	\$ 0	\$ 0	\$ 0
Land	10,035			10,035
Total Non-depreciable capital assets	<u>10,035</u>			<u>10,035</u>
Depreciable capital assets:				
Fire Stations	183,097			183,097
Fire Trucks	906,519	535,544		1,442,063
Equipment	370,759	91,531		462,290
Total depreciable capital assets	<u>1,460,375</u>	<u>627,075</u>		<u>2,087,450</u>
Less accumulated depreciation:				
Fire Stations	(98,215)	(5,169)		(103,384)
Fire Trucks	(701,069)	(57,426)		(758,495)
Equipment	(360,356)	(6,317)		(366,673)
Total accumulated depreciation	<u>(1,159,640)</u>	<u>(68,912)</u>		<u>(1,228,552)</u>
Total depreciable assets, net	<u>300,735</u>	<u>558,163</u>		<u>858,898</u>
Governmental activities capital assets, net	<u>\$ 310,770</u>	<u>\$ 558,163</u>	<u>\$ 0</u>	<u>\$ 868,933</u>

Depreciation expense was recorded at \$68,912. Equipment and fire trucks were purchased totaling \$627,075.

NOTE 8 - PAYABLES

The following is a summary of payables at December 31, 2021:

		General Fund	
Accounts Payable	\$	<u>9,489</u>	

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 9 - LONG-TERM DEBT

On November 3, 2021, voters of the District approved a property tax with an estimated 6.75 mills. The tax is for \$750,000 bond with an interest rate not to exceed 6%. The bond is for the purpose of acquiring, constructing and improving buildings, machinery and equipment, including fire stations, to be used in giving fire protection to the property in the District. This tax will appear on the millage for 2022.

With the approval of the millage to pay for the debit, the obtained the financing on March 10, 2021. There are two issuances:

- 1) \$563,000 with an original issue date of March 1, 2021. The interest rate is 2.200% with a final maturity date of March 1, 2036. The financing is through Patterson State Bank.
- 2) \$187,000 with an original issue date of March 1, 2021. The interest rate is 1.100% with a final maturity date of March 1, 2031. The financing is through the Louisiana Public Facilities Authority.

The following is a summary of the long-term obligation transactions during the year:

	January 1 2021	Additions	Deductions	December 31 2021	Amount Due Within 1 Year
General obligation bonds	\$ 0	\$ 750,000	\$ 0	\$ 750,000	\$ 33,000
	<u>\$ 0</u>	<u>\$ 750,000</u>	<u>\$ 0</u>	<u>\$ 750,000</u>	<u>\$ 33,000</u>

Annual requirements of the long-term obligations and related interest are as following:

Year ending December 31	Principal	Interest
2022	\$ 33,000	\$ 21,039
2023	43,000	13,542
2024	44,000	12,782
2025	45,000	12,006
2026	47,000	11,203
2027-2031	251,000	43,027
2032-2036	287,000	16,159
Total	\$ 750,000	\$ 129,758

Details of the long-term obligations are as follows:

	Interest Rates	Issue Date	Final Maturity Date	Amount of Original Issue	Balance	Due Within One Year
General Obligation Bonds, Series 2021	2.20%	3/1/2021	3/1/2036	\$ 563,000	\$ 563,000	\$ 15,000
General Obligation Bonds, Series 2021	1.10%	3/1/2021	3/1/2031	187,000	187,000	18,000
Total Bonds				<u>\$ 750,000</u>	<u>\$ 750,000</u>	<u>\$ 33,000</u>

Washington Parish Fire Protection District No. 8
Enon, Louisiana
Notes to the Financial Statements
December 31, 2021

NOTE 10 - LITIGATION AND CLAIMS

As of December 31, 2021, there were no litigations or claims against the District.

NOTE 11 - RELATED PARTY TRANSACTIONS

There were no related party transactions requiring disclosure in the financial statements.

NOTE 12 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through February 16, 2023, the date the financial statements were available for issuance. There were no events requiring recording or disclosure in the financial statements for the fiscal year ending December 31, 2021.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8
Enon, Louisiana
Statement of Revenues, Expenditures, and changes for Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Ad valorem taxes	\$ 170,000	\$ 170,000	\$ 152,779	\$ (17,221)
State revenue sharing	-	-	7,233	7,233
Insurance rebate	-	-	5,278	5,278
Insurance proceeds	-	-	-	-
Other income	-	-	200	200
Total Revenues	<u>170,000</u>	<u>170,000</u>	<u>165,490</u>	<u>(4,510)</u>
EXPENDITURES:				
Advertising	4,000	4,000	3,179	821
Fuel, gas, and oil	-	-	6,805	(6,805)
Capital outlay	10,000	10,000	-	10,000
Computer Expense	2,700	2,700	4,751	(2,051)
Insurance expense	30,000	30,000	26,812	3,188
Miscellaneous	-	-	110	(110)
Repairs and maintenance	25,700	25,700	26,606	(906)
Supplies	61,000	61,000	42,657	18,343
Training	1,000	1,000	300	700
Utilities and telephone	26,600	26,600	30,590	(3,990)
Legal and accounting	9,000	9,000	5,848	3,152
License	-	-	120	(120)
Interest expense	-	-	449	(449)
Pension expense	-	-	5,133	(5,133)
Total expenditures	<u>170,000</u>	<u>170,000</u>	<u>153,360</u>	<u>16,640</u>
EXCESS (DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>12,130</u>	<u>12,130</u>
OTHER FINANCING SOURCES (USES)				
Issuance of long term debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>12,130</u>	<u>12,130</u>
FUND BALANCE, JANUARY 1, 2021	<u>156,089</u>	<u>156,089</u>	<u>156,089</u>	<u>-</u>
FUND BALANCE, DECEMBER 31, 2021	<u>\$ 156,089</u>	<u>\$ 156,089</u>	<u>\$ 168,219</u>	<u>\$ 12,130</u>

See Accompanying Notes and Independent Auditor's Report

Washington Parish Fire Protection District No. 8
Enon, Louisiana
December 31, 2021

NOTE TO BUDGETARY COMPARISON SCHEDULE

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the District and amended during the year, as necessary. The budget is established and controlled by the District at the object level of expenditure. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended. All changes in the budget must be approved by the District.

Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original adopted budget amounts and the budget amendments, if applicable, for the year ended December 31, 2021.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8
Enon, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 2021**

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Board members were not paid compensation in any form.

Board Member Name, Address, and Phone Number

Tim Magee
(985) 839-9753
17172 Lee Road, Franklinton, LA 70438

Ellie W. King
(985) 515-8308
49291 Hwy 60, Franklinton, LA 70438

Terry Stogner
46433 Jenkins Road #2, Franklinton, LA 70438

Eric Garlepied
(985) 373-5161
19126 Lee Road, Franklinton, LA 70438

Keith Voth
142'26 Sharp Road, Franklinton, LA 70438

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8
Enon, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 2021

COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

Agency Head: Mr. Tim Magee, Chairman

Agency Head: Mr. Mike Sharp, Fire Chief

There was no compensation, benefits, or other payments to the agency heads during 2021.

MC DUFFIE K. HERROD, LTD.
(A Professional Accounting Corporation)

McDUFFIE K. HERROD
CERTIFIED PUBLIC ACCOUNTANT

Member:

American Institute of CPAs
Society of Louisiana CPAs

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

Board of Commissioners
Washington Parish Fire
Protection District No. 8
Enon, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Washington Parish Fire Protection District No. 8, a component unit of the Washington Parish Government, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 16, 2023.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Washington Parish Fire Protection District No. 8's, State of Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Washington Parish Fire Protection District No. 8's internal control. Accordingly, we do not express an opinion on the effectiveness of the Washington Parish Fire Protection District No. 8'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 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 the internal control that might be significant deficiencies, or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2021-001 that we consider to be significant deficiencies.

Compliance and Other Matters

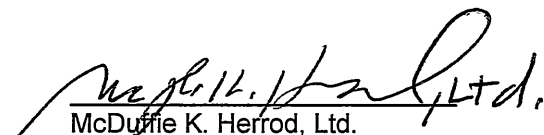
As part of obtaining reasonable assurance about whether the Washington Parish Fire Protection District No. 8's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2021-002 and 2021-003.

Washington Parish Fire Protection District No. 8's Response to Findings

Government Auditing Standards require the auditor to apply limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Commission's response was not subjected to the other audit 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 Washington Parish Fire Protection District No. 8'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 Washington Parish Fire Protection District No. 8's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



McDuffie K. Herrod, Ltd.
A Professional Accounting Corporation
February 16, 2023

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2021

SUMMARY OF AUDIT RESULTS:

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Washington Parish Fire Protection District No. 8.
2. The two instances of noncompliance found during the audit were not material to the financial statements of the Washington Parish Fire Protection District No. 8.
3. Significant deficiencies relating to the financial statements are reported in the Independent Auditor's Report on Internal Control.
4. Two instances of noncompliance were disclosed during the audit.

A. PRIOR YEAR FINDINGS

Finding 2020-001: Budget Noncompliance

Criteria. Per the Local Government Budget Act, actual expenditures and other financing uses cannot exceed budgeted amounts by 5% or more (LA RS 39:1310)

Condition. Actual expenditures were more than budget by 23%.

Cause. Expenditures for the Department were not budgeted in line with actual expenditures on the amended budget.

Effect. The Department was not in compliance with applicable laws.

Recommendation. The Department needs to ensure expenditures are accurate as possible when compiling annual budgets.

Management's Response. The Department will implement policies and procedures for the recommendation for annual budgets.

Current Status. Resolved.

Finding 2020-002: Noncompliance with Audit Law

Criteria. Louisiana Revised Statute 24:513 requires that an annual financial report or other type report be submitted to the Legislative Auditor within six months of the close of the fiscal/calendar year.

Condition. This deadline was not met for the year ended December 31, 2020.

Cause. Unknown.

Effect. The Department was not in compliance with applicable laws.

Recommendation. We recommended that management be cognizant of this deadline in the future and make every effort to comply by providing accounting records to the auditor within two months after the close of the fiscal year to allow time for engagement completion and submission to the Legislative Auditor on a timely basis.

Management's Response. We will continue to make every effort to comply with this law by having our accounting records ready in a timely manner.

Current Status. Unresolved.

B. CURRENT YEAR FINDINGS

Internal Control Findings

Finding 2021-001: Written Policies and Procedures

Criteria. The Department should have a system of internal controls in place to ensure accurate and timely financial reporting and other matters as are applicable. Effective internal controls include written policies and procedures that address monthly financial reporting as well as reporting to the Legislative Auditor and other applicable procedures.

Condition. The Department needs to implement adoption of written policies and procedures and update them on an ongoing basis in order to strengthen its internal controls.

Cause. The Department has not put into writing its policies and procedures.

Effect. Failure to have written policies and procedures resulted in the Department not being in compliance with the audit law.

Recommendation. We recommended that management adopt written policies and procedures and in doing so, address all of the areas as set out in the Louisiana Legislative Auditor's *Statewide Agreed-upon Procedures*, as issued and updated on a periodic basis.

Management's Response. We will make every effort to develop written policies and procedures by involving the board of commissioners and our outside accountant in this process.

Current Status. Unresolved as of the date the financial statements were issued.

Noncompliance Findings

Finding 2021-002: Noncompliance with Audit Law

Criteria. Louisiana Revised Statute 24:513 requires that an annual financial report or other type report be submitted to the Legislative Auditor within six months of the close of the fiscal/calendar year.

Condition. This deadline was not met for the year ended December 31, 2021.

Cause. The Department normally is only required to have a compilation engagement. Due to receipt of a non-recurring grant, the higher level of revenues triggered an increase in the level of service to an audit, so an independent auditor had to be engaged. Consequently, the auditor was engaged late to begin the audit.

Effect. The Department was not in compliance with applicable laws.

Recommendation. We recommended that management be cognizant of this deadline in the future and make every effort to comply.

Management's Response. We will continue to make every effort to comply with this law by having our financial information ready soon after the close of the fiscal year.

Current Status. Unresolved.

Finding 2021-003: Noncompliance with State Law on Sexual Harassment

Criteria: Per Louisiana RS 42:343 & 42:42344, each public servant shall receive a minimum of one hour of education and training on preventing sexual harassment during each full calendar year of his or her public employment or term of office. Each agency head shall compile an annual report by February 1st of each year containing information from the previous calendar year regarding his or her agency's compliance with the applicable requirements of RS 42:344.

Condition: The Fire District did not file the required annual report with the state, does not have the related policy in writing and did not have the required training.

Cause: Unknown

Effect: Noncompliance with State Law

Recommendation: The Fire District needs to implement policies and procedures for agency responsibilities and prohibitions regarding sexual harassment, annual training, and annual reporting.

Response: The Fire District will implement the recommendation at once.

Current Status: Unresolved.

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8
Enon, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 2021

COMMUNICATIONS

Results of the audit and findings were discussed with the board chairman, Mr. Tim Magee, on February 16, 2023.

MC DUFFIE K. HERROD, LTD.
(A Professional Accounting Corporation)

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Governing Board of Washington Parish Fire Protection District No. 8 and the Louisiana Legislative Auditor:

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**. **Washington Parish Fire Protection District No. 8's** management is responsible for those C/C areas identified in the SAUPs.

Washington Parish Fire Protection District No. 8 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 acknowledged 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.
The agency does not have written policies and procedures as of the audit report date.
 - 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.

The agency does not have written policies and procedures as of the audit report date.

- c) **Disbursements**, including processing, reviewing, and approving.

The agency does not have written policies and procedures as of the audit report date.

- d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

The agency does not have written policies and procedures as of the audit report date.

- e) **Payroll/Personnel**, including (1) payroll processing, (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.

The agency does not have written policies and procedures as of the audit report date.

- 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.

The agency does not have written policies and procedures as of the audit report date.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

The agency does not have written policies and procedures as of the audit report date.

- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

The agency does not have written policies and procedures as of the audit report date.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (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.

The agency does not have written policies and procedures as of the audit report date.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

The agency does not have written policies and procedures as of the audit report date.

- 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.

The agency does not have written policies and procedures as of the audit report date.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

The agency does not have written policies and procedures as of the audit report date.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions were noted.

- 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.

Not applicable.

- 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.

Not applicable.

Bank Reconciliations

3. Obtain a listing of entity 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 each selected account, and observe that:

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
No exceptions were noted.
- 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
No exceptions noted.
- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.
No exceptions noted.

Collections (excluding electronic funds transfers)

- 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).
The agency has only one location and doesn't receive cash; most payments are transferred directly into the bank account; minimal other deposits are reviewed by board member(s).
- 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 responsible for cash collections do not share cash drawers/registers.
Not applicable to this agency.
 - 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.
Not applicable.
 - 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.
Not applicable.
 - 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/official verifies the reconciliation.
Not applicable.

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.

No exceptions were noted.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

No exceptions were noted.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions noted.

- d) Observe 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 or drawer).

No exceptions noted.

- e) Trace the actual deposit per the bank statement to the general ledger.

We were able to trace the deposit listed on the bank statement back to the general ledger with no exceptions noted.

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).

No exceptions noted.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions noted.

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

No exceptions noted.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

No exceptions noted.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions noted.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

Of the disbursements selected, all matched the general ledger and original invoices.

- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions were noted.

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) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Not Applicable.

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.]

No exceptions noted.

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

Not Applicable.

- 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.

Not applicable.

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:

Management provided us with the general ledger along with representation of completion.

- 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).

Not applicable

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

Not applicable

- 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).

Not applicable

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

Not applicable

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.

Not applicable.

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).

Not applicable.

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).

Not applicable.

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.

Not applicable.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Not applicable for this agency – no employees.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)

Not applicable for this agency – no employees.

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

Not applicable for this agency – no employees.

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

Not applicable for this agency – no employees.

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

Not applicable for this agency – no employees.

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.

Not applicable for this agency – no employees.

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 garnishments have been filed, by required deadlines.

Not applicable.

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.

We reviewed documentation from management and determined that the employees had completed the required ethics training.

- 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.

No exceptions were noted.

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.

No exceptions noted.

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).

No exceptions noted.

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.

According to management, there was not misappropriation of public funds or assets.

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.

The required notice is posted on the Entity's premises, however, not on the 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.

All documents are backed up a cloud-based service on a regular schedule.

- 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.

No exceptions noted.

- 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.

No exceptions noted.

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.

Training was not completed by each employee.

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).

The agency does not have this policy on its web site, nor posted on the premises.

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;

No training was completed.

- b) Number of sexual harassment complaints received by the agency; -

None were received.

- c) Number of complaints which resulted in a finding that sexual harassment occurred;

None were received.

- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

None received, n/a.

- e) Amount of time it took to resolve each complaint.

None – n/a.

The agency did not file the required annual report with the state.

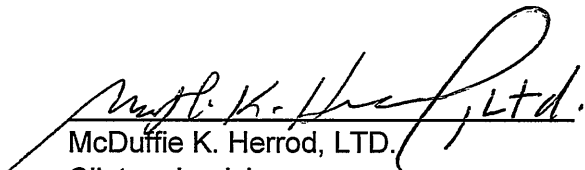
Management's Response

Management of the Washington Parish Fire Protection District No. 8 concurs with the exceptions noted and are working to address the deficiencies identified.

We were engaged by **Washington Parish Fire Protection District No. 8** 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 **Washington Parish Fire Protection District No. 8** 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.


McDuffie K. Herrod, LTD.
Clinton, Louisiana

February 16, 2023