

WEBSTER PARISH FIRE PROTECTION
DISTRICT NO. 2

Sibley, Louisiana

FINANCIAL STATEMENTS

DECEMBER 31, 2022

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Financial Statements
As of and for the year ended December 31, 2022

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WISE, MARTIN & COLE, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

601 Main Street P. O. Box 897
Minden, Louisiana 71058-0897
(318) 377-3171 Fax (318) 377-3177

MICHAEL W. WISE, CPA
KRISTINE H. COLE, CPA

KRISTIE K. MARTIN, CPA
HANNAH M. COLVIN, CPA
HALEA S. LIPINSKI, CPA

CARLOS E. MARTIN, CPA (2020)

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

The Board of Commissioners of the
Webster Parish Fire Protection District No. 2
Sibley, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and the major fund of Webster Parish Fire Protection District No. 2, as of and for the year ended December 31, 2022, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation paid to board members and schedule of compensation, benefits, and other payments to the agency head for purposes of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information on page 11 be presented to supplement the basic financial statements.

Budgetary Comparison Schedule

Such information is presented for purposes of additional analysis and, although not a required 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. This information is the representation of management. We have not performed an audit, review or

compilation on the required supplementary information and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on such information.

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

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Webster Parish Fire Protection District No. 2.

Wesley Marten & Cole LLC

Minden, Louisiana

January 10, 2024

BASIC FINANCIAL STATEMENTS

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Statement of Net Position
December 31, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 50,501
Receivables	63,955
Capital assets, net	<u>175</u>
TOTAL ASSETS	<u>114,631</u>
 LIABILITIES	
Accounts payable	<u>2,287</u>
TOTAL LIABILITIES	<u>2,287</u>
 NET POSITION	
Net investment in capital assets	175
Unrestricted	<u>112,169</u>
TOTAL NET POSITION	<u>\$ 112,344</u>

See accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Statement of Activities
For the Year Ended December 31, 2022

Functions/Programs:	<u>Expenses</u>	<u>Program revenues</u> Operating grants & <u>contributions</u>	<u>Governmental activities:</u> Net (expenses)/ <u>revenue</u>
Governmental activities:			
General government	\$ 4,293	\$ -	\$ (4,293)
Public safety - fire protection	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>
Total governmental activities	<u>\$ 84,293</u>	<u>\$ -</u>	<u>\$ (84,293)</u>
General revenues:			
Property taxes levied for general purposes			66,036
Interest income			<u>347</u>
Total general revenues			66,383
Change in net position			(17,910)
Net position - beginning			<u>130,254</u>
Net position - ending			<u>\$ 112,344</u>

See accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Balance Sheet - Governmental Fund
December 31, 2022

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 50,501
Accounts receivable	<u>63,955</u>
TOTAL ASSETS	<u>\$ 114,456</u>
LIABILITIES	
Accounts payable	<u>\$ 2,287</u>
DEFERRED INFLOW OF RESOURCES	
Unavailable ad valorem taxes	<u>19,169</u>
FUND BALANCE	
Unassigned	<u>93,000</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE	<u>\$ 114,456</u>

See accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Government-wide Financial Statement of Net Position
December 31, 2022

Fund Balance, Total Governmental Fund (Statement C)	\$ 93,000
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund	175
Deferred inflow of resources are not financial resources and, therefore, are not reported in the governmental fund	<u>19,169</u>
Net Position of Governmental Activities (Statement A)	<u>\$ 112,344</u>

See accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Statement of Revenues, Expenditures and Changes
in Fund Balance - Governmental Fund
For the Year Ended December 31, 2022

	<u>General Fund</u>
REVENUES	
Ad valorem taxes	\$ 67,015
Interest income	<u>347</u>
TOTAL REVENUES	<u>67,362</u>
 EXPENDITURES	
Current:	
General government	
Legal and accounting	1,500
Postage	66
Secretary fees	140
Administrative collection fee	2,287
Public safety	
Fire protection fees	<u>80,000</u>
TOTAL EXPENDITURES	<u>83,993</u>
Excess (deficiency) of revenues over expenditures	(16,631)
Fund balances - beginning	<u>109,631</u>
Fund balances - ending	<u>\$ 93,000</u>

See accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balance of the Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2022

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ (16,631)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(300)
Revenues reported in the Statement of Activities are not available as current financial resources and, therefore, are not reported as revenues in the governmental fund.	<u>(979)</u>
Change in Net Position of Governmental Activities (Statement B)	<u>\$ (17,910)</u>

See accountants' report.

REQUIRED SUPPLEMENTARY INFORMATION

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Budgetary Comparison Schedule
General fund
For the Year Ended December 31, 2022

	<u>Original</u>	<u>Final</u>	Actual (Cash basis)	<u>Variance</u>
REVENUES				
Ad valorem taxes	\$ 68,749	\$ 68,749	\$ 66,018	\$ (2,731)
Interest and other income	-	-	347	347
TOTAL REVENUES	<u>68,749</u>	<u>68,749</u>	<u>66,365</u>	<u>(2,384)</u>
EXPENDITURES				
Current:				
General government				
Advertising	200	200	-	200
Legal and accounting	2,250	2,250	1,500	750
Bank fees	100	100	-	100
Postage	100	100	66	34
Secretary fees	210	210	140	70
Training	500	500	-	500
Administrative collection fee	2,250	2,250	2,421	(171)
Public safety				
Fire protection fees	<u>70,000</u>	<u>70,000</u>	<u>80,000</u>	<u>(10,000)</u>
TOTAL EXPENDITURES	<u>75,610</u>	<u>75,610</u>	<u>84,127</u>	<u>(8,517)</u>
Excess (deficiency) of revenues over (under) expenditures	(6,861)	(6,861)	(17,762)	(10,901)
Fund balance - beginning	<u>48,388</u>	<u>48,388</u>	<u>68,263</u>	<u>19,875</u>
Fund balance - ending	<u>\$ 41,527</u>	<u>\$ 41,527</u>	<u>\$ 50,501</u>	<u>\$ 8,974</u>

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Notes to Budgetary Comparison Schedule
For the Year Ended December 31, 2022

01) The Fire District's budget is adopted on a cash basis.

02) The following schedule reconciles the excess of revenues over expenditures on cash basis with excess of revenues over expenditures on GAAP basis.

Excess (deficiency) of revenues over expenditures, GAAP basis	\$ (16,631)
To adjust for receivables	(17)
To adjust for payables	(134)
To adjust for deferred inflows	<u>(980)</u>
Excess (deficiency) of revenues over expenditures, cash basis	<u>\$ (17,762)</u>

SUPPLEMENTARY INFORMATION

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Schedule of Compensation Paid to Board Members
For the Year Ended December 31, 2022

The following serve on the Board of Commissioners without compensation:

Harold Holley	Chairman
Kenneth Chanler	Vice chairman
Freddy Cage	Commissioner
Mike Sparks	Commissioner
Murl Procell	Commissioner

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Schedule of Compensation, Benefits and Other
Payments to Agency Head
For the Year Ended December 31, 2022

Agency Head: Harold Holley, Chairman

No payments made as of and for the year ended December 31, 2022.

SCHEDULES FOR LOUISIANA LEGISLATIVE AUDITOR

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Summary Schedule of Prior Year Findings
As of and for the Year Ended December 31, 2022

There were no findings required to be reported in the prior year.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Schedule of Current Year Findings
As of and for the Year Ended December 31, 2022

2022-1 – Late filing

Criteria The audit law (Louisiana Revised Statute (R.S.) 24:513 and 24:514) establishes the due dates of local auditee reports: Audit, review/attestation, and compilation reports are due to the Louisiana Legislative Auditor (LLA) no later than six months after the local auditee's fiscal year end.

Condition: The compilation was not filed with the Legislative Auditor within six months of year end.

Cause: CPA engaged to perform compilation had unexpected turnover which delayed the completion of the compilation once records were made available to CPA.

Effect: The District is not in compliance with state law.

Recommendation: Engage CPA within 60 days of the close of the year, and information should be made available to allow timely reporting.

Management response: The Fire District is aware of the annual financial filing requirement and will communicate with the CPA to determine reporting requirements and ensure records are made available to submit annual report by the due date.

2022-2 – Donation of public funds

Criteria Article VII Section 14 of the Louisiana Constitution prohibits the gratuitous donation of public funds.

Condition: The District gave a separate municipal fire department \$10,000 to help the fire department purchase a 4-wheeler.

Cause: Board approved a donation payment to help the local fire department purchase equipment.

Effect: The District appears to have made an improper donation of public funds.

Recommendation: In order to transfer public funds or property, a written cooperative endeavor which complies with the provisions of Article VII, Section 14 of the Louisiana Constitution must be created to support the transaction. The agreement must provide details which supports the appropriateness of the transfer.

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 2
Sibley, Louisiana

Schedule of Current Year Findings
As of and for the Year Ended December 31, 2022

Management response: The Fire District was not aware of the requirement to execute a written cooperative endeavor agreement. The payment made was to assist in the purchase of a piece of equipment that was to be used solely for area serviced by District No. 2. We will ensure that written documentation will be drafted to support future agreements.