

**WEBSTER PARISH FIRE PROTECTION  
DISTRICT NO. 11  
WEBSTER PARISH POLICE JURY  
Springhill, Louisiana**

Annual Financial Statements

DECEMBER 31, 2012

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

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CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANTS' COMPILATION REPORT**

To the Members of the Board of Commissioners  
Webster Parish Fire Protection District No. 11  
Component Unit of Webster Parish Police Jury  
Springhill, Louisiana

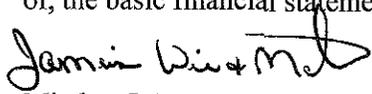
We have compiled the accompanying financial statements of the governmental activities of Webster Parish Fire Protection District No. 1, component unit of Webster Parish Police Jury, as of and for the year ended December 31, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of Webster Parish Fire Protection District No. 11 is responsible for the preparation and *fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America* and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management of the Webster Parish Fire Protection District No. 11 in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The Schedule of Per Diem Paid to Board Members, Corrective Action Plan for Current Year Findings, and Summary Schedule of Prior Year Findings on pages 19-21 are presented for purposes of additional analysis and are not a required part of the financial statements. We have not audited or reviewed this schedule and, accordingly, do not express an opinion or any other form of assurance on it.

Management has not presented management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be part of, the basic financial statements.

A handwritten signature in black ink, appearing to read "Jamir Williams". The signature is written in a cursive style with a large, sweeping initial "J".

Minden, LA  
June 25, 2014

## **BASIC FINANCIAL STATEMENTS**

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Statement of Net Positions  
December 31, 2012

	Governmental Activities
<b>ASSETS</b>	
Cash	\$ 93,849
Receivables	9,003
Capital assets (net)	263,790
Total assets	366,642
<b>LIABILITIES</b>	
Liabilities:	
Accounts, salaries, and other payables	5,207
Total liabilities	5,207
<b>NET POSITIONS</b>	
Invested in capital assets, net of related debt	263,790
Unrestricted	97,645
Total net positions	\$ 361,435

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
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Statement of Activities  
For the year ended December 31, 2012

**Program Expenses:**

Public safety - fire protection	\$ <u>160,832</u>
---------------------------------	-------------------

**Program revenues:**

Charges for services	113,000
Capital grants and contributions	3,414
Operating grants and contributions	<u>-</u>
Total program revenues	<u>116,414</u>
Net program (expense) revenue	<u>(44,418)</u>

**General revenues:**

Intergovernmental - Webster Parish Police Jury	27,841
Interest	17
Miscellaneous	<u>50,546</u>
Total general revenues	<u>78,404</u>
Change in net assets	33,986
Net positions - beginning	<u>327,449</u>
Net positions - ending	<u>\$ 361,435</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Balance Sheet - Governmental Funds  
December 31, 2012

	<u>Special Revenue Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 93,849
Accounts Receivable:	
City of Springhill	<u>9,003</u>
<b>Total assets</b>	<u>\$ 102,852</u>
<b>LIABILITIES &amp; FUND EQUITY</b>	
Liabilities:	
Accounts payable	\$ 2,188
Accrued expenses	<u>3,019</u>
<b>Total liabilities</b>	<u>5,207</u>
Fund Equity:	
Fund Balance	
Unassigned	<u>97,645</u>
<b>Total fund equity</b>	<u>97,645</u>
<b>Total liabilities and fund equity</b>	<u>\$ 102,852</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Government-Wide Financial Statement of Net Positions  
December 31, 2012

Amounts reported for governmental activities in the Statement of  
Net Positions are different because:

Fund Balance, Total Governmental Fund (Statement C)	\$ 97,645
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund	263,790
Long-term liabilities are not due and payable in the current period and are not reported in the governmental fund	<u>-</u>
Net Positions of Governmental Activities (Statement A)	<u>\$ 361,435</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the year ended December 31, 2012

	Special Revenue Fund
<b>Revenues:</b>	
Fire and rescue service fees	\$ 113,000
Fire insurance premium rebate	23,066
Intergovernmental revenues:	
Webster Parish Police Jury	4,775
Federal and state grants	3,414
Contributions	4,744
Interest	17
Miscellaneous	45,801
<b>Total revenues</b>	<b>194,817</b>
<b>Expenditures:</b>	
<b>Current:</b>	
Salaries and payroll	44,668
Utilities	4,692
Telephone	3,184
Gas and diesel	5,686
Supplies	3,045
Legal and accounting	3,350
Uniforms	2,763
Miscellaneous	745
Insurance	21,522
Office expense	7,381
Training and prevention	8,737
Dues and subscriptions	332
Repairs and maintenance	11,097
Equipment and Fire Fighting Supplies	16,974
<b>Total expenditures</b>	<b>134,176</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>60,641</b>
<b>Other financing sources (uses):</b>	
Operating transfers in	-
Operating transfers (out)	-
<b>Total other financing sources (uses)</b>	<b>-</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>60,641</b>
<b>Fund balance at beginning of year</b>	<b>37,004</b>
<b>Fund balance at end of year</b>	<b>\$ 97,645</b>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
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Springhill, 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, 2012

Amounts reported for governmental activities in the Statement of Activities are  
different because:

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ 60,641
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$88,478) exceeded depreciation (\$44,781) in the current period.	(26,655)
Principal payments made on long-term debt are recorded as expenses in governmental fund.	<u>          -</u>
Change in Net Positions of Governmental Activities (Statement B)	<u>\$ 33,986</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Notes to Financial Statements  
As of and for the year ended December 31, 2012

**INTRODUCTION**

The Webster Parish Fire protection District No. 11 (the District) was created by the Webster Parish Police Jury by resolution on April 2, 1991, as provided under Louisiana Revised Statutes 40:1491 through 40:1501. The District is governed by a five-member Board of Commissioners, of which two members are appointed by the Police Jury, two members are appointed by the Mayor of the City of Springhill, Louisiana, and one member by the other four members of the board. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection and emergency services to residents within the boundaries of the District.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of this statement, the District is considered a component unit of the Webster Parish Police Jury. The Police Jury is financially accountable for the District because it has the ability to impose its will on them.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the Webster Parish Fire Protection District No. 11. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1)

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Notes to Financial Statements  
As of and for the year ended December 31, 2012

charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. The major individual governmental fund, which is the general fund, is reported in the fund financial statements.

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accompanying financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34. This standard provides for significant changes in terminology, recognition of contributions in the Statement of Revenues, Expenses and Changes in Net Assets, inclusion of a management discussion and analysis as supplementary information and other changes.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Although most expenditures are recorded when a liability is

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Notes to Financial Statements  
As of and for the year ended December 31, 2012

incurred, as under accrual accounting, the measurement focus of a governmental fund significantly affects what items are to be considered expenditures in the governmental fund. Expenditures, and the related liabilities, are accrued when they are expected to be paid out of revenues recognized during the current period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources, of the general government, except those required to be accounted for in another fund.

The Debt Service Fund is used to accumulate monies for the payment of outstanding bond issues.

**C. Cash**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, and money market accounts with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**D. Investments**

Investments are limited by Louisiana Revised Statute (R.S. 33:2955) and the District's investment policy. Under state law, the District may invest in United States bonds, treasury notes, or certificates. If the original maturities of investments exceed 90 days,

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Notes to Financial Statements  
As of and for the year ended December 31, 2012

they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**E. Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the governmental activities in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$2,500 or more for capitalizing capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of fixed assets or materially extend useful lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and improvements	40 years
Machinery and equipment	10 years
Vehicles	5-15 years

**F. Compensated Absences**

The District has one full-time employee who is eligible for 5 days of paid vacation after one year. He is eligible for an additional 5 days for every year over three years that he has been employed with the District. Unused vacation time may not be carried over to the next year. The District has no formal sick leave policy. No accrual has been made for any potential compensated absence liability.

**G. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and

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Springhill, Louisiana

Notes to Financial Statements  
As of and for the year ended December 31, 2012

disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. CASH AND CASH EQUIVALENTS**

At December 31, 2012 the District has book balances totaling \$93,489 as follows:

Interest-bearing deposits	\$ 93,841
Petty cash	<u>8</u>
	<u>\$ 93,849</u>

These deposits are stated at cost, which approximates market. Under state law, these bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. These securities are 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, 2012, the District had \$93,849 in collected bank balances. The deposits are secured from risk by up to \$250,000 of federal deposit insurance.

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

**3. INVESTMENTS**

GASB 9, par. 8 states that for an investment to be considered a cash equivalent, it must mature no more than three months after the date it is purchased. For the year ended December 31, 2012, the District had no investments.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
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Notes to Financial Statements  
As of and for the year ended December 31, 2012

**4. REVENUE SOURCE**

The District's main source of revenue is a \$4 fire protection fee charged monthly to each water customer of the City of Springhill. The City of Springhill collects the fee and remits it to the District monthly. The City of Springhill receives a collection fee of \$100 per month from the District. As of December 31, 2012, the District received \$106,786 from the City of Springhill and paid \$1,200 in collection fees. The District itself also bills and collects fees from residents supplied by other rural water systems or trailer parks in the City of Springhill.

**5. RECEIVABLES**

The following is a summary of receivables at December 31, 2012:

<u>Class of Receivable</u>	<u>General Fund</u>
Fire protection fee	\$ <u>9,003</u>
Total	\$ <u>9,003</u>

**6. ACCOUNTS, SALARIES, AND OTHER PAYABLES**

Payables of \$5,207 at December 31, 2012 are as follows:

Accounts payable	\$ 2,188
Payroll liabilities	<u>3,019</u>
Total	\$ <u>5,207</u>

**7. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2012, for the District is as follows:

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Notes to Financial Statements  
As of and for the year ended December 31, 2012

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets being depreciated				
Buildings	\$ 93,025	\$ -	\$ -	\$ 93,025
Vehicles	525,546	-	-	525,546
Equipment	377,240	16,974	-	394,214
Total capital assets being depreciated	<u>995,811</u>	<u>16,974</u>	<u>-</u>	<u>1,012,785</u>
Less accumulated depreciation for:				
Buildings	18,613	2,326	-	20,939
Vehicles	458,968	17,529	-	476,497
Equipment	227,785	23,774	-	251,559
Total accumulated depreciation	<u>704,366</u>	<u>43,629</u>	<u>-</u>	<u>748,995</u>
Total capital assets being depreciated, net	<u>\$ 291,445</u>	<u>\$ (26,655)</u>	<u>\$ -</u>	<u>\$ 263,790</u>

**8. PENSION PLAN**

The District's employee participates in the federal social security program. The District is required to remit to the Social Security Administration an amount equal to the employees' contributions.

The District employee also participates in the Firefighter's Retirement System of Louisiana. Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50

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Notes to Financial Statements  
As of and for the year ended December 31, 2012

with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (225) 925-4060.

*Funding Policy.* Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Springhill Fire Protection District #11 is required to contribute at an actuarially determined rate. From January 1, 2011 through June 30, 2011, the rate was 14 percent of annual covered payroll. Effective July 1, 2011, the rate increased to 21.5 percent. The contribution requirements of plan members and the Springhill Fire Protection District #11 are established and may be amended by state statute. As proved by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contributions for the years ended December 31, 2012, and 2011 were \$3,714 and \$10,198, respectively, equal to the required contributions for each year.

**9. LEASES**

The District has an operating lease with Konica Minolta for rental of a copy machine. This is a normal operating lease and expenses are recorded in the year incurred.

**10. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through June 25, 2014. This date represents the date the financial statements were available to be issued

**REQUIRED SUPPLEMENTAL INFORMATION**

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
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Governmental Fund Types  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Cash Basis) and Actual  
Special Revenue Fund  
For the Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		(Cash Basis) <u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Over (Under)
<b>Revenues:</b>				
Fire and rescue service fees	\$ 111,408	\$ 111,408	114,744	\$ 3,336
Fire insurance premium rebate	20,000	20,000	23,066	3,066
<b>Intergovernmental revenues:</b>				
Webster Parish Police Jury	2,850	2,850	4,775	1,925
Federal and state grants	-	-	-	-
Private grants	-	-	3,414	3,414
Contributions	3,072	3,072	4,744	1,672
Interest	-	-	17	17
Miscellaneous	14,064	14,064	45,802	31,738
<b>Total revenues</b>	<u>151,394</u>	<u>151,394</u>	<u>196,562</u>	<u>45,168</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Salaries and payroll	22,800	22,800	41,650	18,850
Utilities	5,296	5,296	4,388	(908)
Telephone	2,747	2,747	2,925	178
Gas and diesel	6,000	6,000	5,542	(458)
Supplies	853	853	10,252	9,399
Equipment lease	1,047	1,047	-	(1,047)
Legal and accounting	3,000	3,000	3,350	350
Uniforms	500	500	2,763	2,263
Miscellaneous	50	50	6,573	6,523
Insurance	18,565	18,565	23,077	4,512
Publications, printing and postage	400	400	276	(124)
Training and prevention	1,400	1,400	8,737	7,337
Dues and subscriptions	753	753	332	(421)
Repairs and maintenance	6,820	6,820	10,273	3,453
Bad debt expense	61	61	-	(61)
Capital Outlay	81,102	81,102	16,974	(64,128)
Medical	-	-	-	-
<b>Debt service:</b>				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total expenditures</b>	<u>151,394</u>	<u>151,394</u>	<u>137,112</u>	<u>(14,282)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>59,450</u>	<u>59,450</u>
<b>Other financing sources (uses):</b>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>59,450</u>	<u>59,450</u>
<b>Fund balance at beginning of year</b>	<u>34,399</u>	<u>34,399</u>	<u>34,399</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 34,399</u>	<u>\$ 34,399</u>	<u>\$ 93,849</u>	<u>\$ 59,450</u>

See accompanying notes and accountants' report.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
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Notes to Budgetary Comparison Schedule

The district uses the following budget practices:

1. The District Treasurer prepares a proposed budget and submits it to the Board of Commissioners no later than fifteen days prior to the beginning of each fiscal year.
2. If proposed expenditures are \$500,000 or more, a summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection (if required). At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted by the Board of Commissioners prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving increases in expenditures which results from revenues exceeding amounts estimated require the approval of the board of commissioners.
6. Budgetary appropriations lapse at the end of the fiscal year.
7. The budget for the general fund was prepared on the cash basis of accounting which is not a basis consistent with generally accepted accounting principles (GAAP).
8. The district is not required to and did not adopt a budget for the Debt Service Fund. Therefore, a budgetary comparison schedule is not presented for the fund.

The revenues and expenditures shown on page 7 are reconciled with the amounts reflected on the budget comparison on page 17 as follows:

	<u>General Fund</u>
Excess of expenditures over revenues, GAAP basis	\$ 60,641
To adjust for receivables	2,368
To adjust for payables	<u>(3,559)</u>
Excess of revenues over expenditures, Budget – CASH basis	\$ <u>59,450</u>

## **OTHER SUPPLEMENTAL SCHEDULES**

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
 Springhill, Louisiana

Schedule of Compensation Paid Board Members  
 For the Year Ended December 31, 2012

Webster Parish Fire Protection District No. 11 has a voluntary board; therefore, no per diem amounts were paid during this period. Billy Raspberry receives a salary for serving the District as fire chief and secretary/treasurer, after replacing David Camp.

	<u>Per Diem</u>	<u>Salary</u>
Larry Haskins	\$ -	\$ -
Wilbert Flannigan	-	-
Joey Montondo	-	-
Alta Speer	-	-
Danny Mason	-	-
David Camp	-	5,938
Billy Raspberry	-	20,340
	<u>\$ -</u>	<u>\$ 26,278</u>

**OTHER REPORTS**

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Current Year Findings, Recommendations and Corrective Action Plan  
As of and for the year ended December 31, 2012

2012-2 – Late Filing of Financial Information

*Finding:* The financial statements were not filed with the Louisiana Legislative Auditor within the time frame required by state law.

*Condition:* The audit report was submitted after June 30, 2013.

*Cause:* The fire chief that was also handling the general ledger was investigated by the DA and sheriff. The new fire chief did not prepare a general ledger as in the past. The general ledger had to be created for an entire year. Some of the records for the early part of the year was with the sheriff or not able to locate easily. Bank statements had to be requested from the bank. The district then hired the CPA to construct a set of books for 2012.

*Effect:* The district is not in compliance with state law.

*Recommendation:* The district should get the personnel in place to maintain a monthly set of books. The District should strive to file its financial statements within the time frame required by law:

**Management's response:** Due to the fire chief being relieved of duties, there was a transition period of assembling records. Management of the district understands the filing requirements and will work toward reporting during the time frame required.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Status of Current Year Findings  
As of and for the year ended December 31, 2011

2011-1 – Improper Expenditures for not public purpose

*Finding:* For 2011 it appears the chief may have used the Fire District Credit card and check payments during 2011 for personal items and excess pay that were not a public purpose in the amount of \$4,931.12.

It appears the balance is composed of the following:

Excess pay	\$1,285.20
Fuel charges	1,853.97
Food & misc items	<u>1,791.95</u>
	<u>\$4,931.12</u>

*Recommendation:* The Fire Chief should pay the balance back to the Fire District. Expenditures of public funds requires a public purpose for the expenditure or transfer, that the expenditure or transfer, taken as a whole, does not appear to be gratuitous and evidence demonstrating that the public entity has a reasonable expectation of receiving a benefit or value at least equivalent to the amount expended.

We recommend that the District more adequately document disbursements as to their public purpose. We also recommend that the District establish policies where two board members signatures are required as approval of invoices to pay other than routine leases and utility charges. We also recommend a written travel and meal policy.

*Corrective Action Taken & management response:* As of the date of the report, the matter has been turned over to the DA and sheriff for investigation.

2011-2 Adoption of budget

*Finding:* The October 2010 minutes state adoption of 2011 budget was tabled until next meeting. No mention in November minutes of acceptance. No December meeting was held. No mention noted of budget in 2011 minutes until amendment in November 2011.

*Recommendation:* Management should ensure that all budgets are documented as approved in an open meeting.

*Corrective Action Taken & Management Response:* 2011 adoption was an oversight in minutes. The 2012 budget has been properly adopted.

**WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 11**  
**WEBSTER PARISH POLICE JURY**  
Springhill, Louisiana

Status of Current Year Findings  
As of and for the year ended December 31, 2011

2011-3 – Advances of wages

*Finding:* Article 7 Section 14 of the Louisiana Constitution does not allow advances to be made to employees. There were checks written on 1/13/2011 for \$1,529.20 and on 3/24/11 for \$1,416.00 to Chief Camp. Actual amounts earned for Fire calls & drills per documentation was \$1,660.00. It appears not only were funds advanced but overpayment of \$1,285.20 was made for services.

*Recommendation:* For better control checks made to personnel that handle the accounting and check writing should be signed by a board member after review of documentation. While these checks had two signatures one was a stamp. We further recommend that the board be reminded that firemen can only be paid after the services are rendered.

*Corrective Action Taken & Management Response:* The new fire chief is aware and will remind the board that services must be performed before payment is made. The above finding was turned over during 2012 to the sheriff and DA for investigation.

2011-4 Late Filing of Reports to the Legislative Auditor

*Finding:* Reports are required to be submitted to the Legislative Auditor within six (6) months of year end. The report for the Webster Parish Fire District #11 was filed after the 6 month period.

*Recommendation:* The Board should ensure their records are in proper order and bank accounts reconciled in timely fashion to engage a CPA to perform required reporting to the Legislative Auditor.

*Corrective Action Taken and Management Response:* Board is aware and engaged a CPA in time to complete report. However, records were turned over before six month timeframe to DA and Sheriff for investigation of improper use of public funds and records were not available for CPA until after the six month period had ended.