

LAFOURCHE PARISH
Fire Protection District No. 2
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2025

LAFOURCHE PARISH
Fire Protection District No. 2
As of and for the Year Ended December 31, 2025

TABLE OF CONTENTS

	<u>Page</u>
MANAGEMENT’S DISCUSSION AND ANALYSIS	1
FINANCIAL SECTION	
Independent Accountants Review Report	6
FINANCIAL STATEMENTS:	
<i>Government Wide Financial Statements:</i>	
Statement of Net Position	8
Statement of Activities	9
<i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	10
Statement of Revenues, Expenditures, and	
Changes in Fund Balances - Governmental Funds	11
<i>Notes to the Financial Statements</i>	12
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedules	21
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Compensation Benefits and Other Payments to Agency Head	22
OTHER REPORTS	
Independent Accountants’ Report on Agreed-Upon Procedures	23
Louisiana Attestation Questionnaire (including Board Resolution)	

LAFOURCHE PARISH Fire Protection District No. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2025

This discussion and analysis of Lafourche Parish Fire Protection District No. 2's (the District) financial performance provides an overview of the financial activities for the fiscal year ended December 31, 2025. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

The basic financial statements provide these insights into the results of this year's operations:

- Net position of our governmental activities decreased slightly by \$4,000 as a result of this year's operations.
- Total expenses for program activities were \$352,628. General revenues were provided from ad valorem taxes collected; insurance proceeds and investment earnings and were \$348,577.
- The governmental funds reported a total ending fund balance of \$1,741,379, all considered unassigned, an increase of \$93,355 from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Government-Wide Financial Statements (GWFS) - The Statement of Net Position and the Statement of Activities provide information about the financial activities as a whole and present a longer-term view of the finances. Fund Financial Statements (FFS) – The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances tell how these services were financed in the short term as well as what remains for future spending. Fund Financial Statements also report the operations in more detail than the Government-Wide Statements by providing information about the most significant funds.

Government-Wide Financial Statements (GWFS)

These statements include all assets and liabilities using the accrual basis of accounting, which is like the accounting used by most private-sector companies. All the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position and changes in them. You can think of the net position—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in the net position are one indicator of whether its financial health is improving or deteriorating.

The Statement of Net Position and the Statement of Activities report governmental activities. Most of the basic fire protection services are reported as this type.

LAFOURCHE PARISH Fire Protection District No. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2025

Fund Financial Statements (FFS)

The Fund Financial Statements provide detailed information about the most significant funds—not the operations as a whole.

The District utilizes the governmental type of fund with the following accounting approach. Most of the basic fire protection services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs.

We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations at the bottom and following the fund financial statements.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (GWFS)

The Statement of Net Position and the Statement of Activities reports all governmental activities. All of the governmental activities are reported as this type. Our analysis below focuses on the net assets of the governmental-type activities:

Condensed Statement of Net Position	2024	2025	Increase (Decrease)
Current and Other Assets	\$1,648,024	\$2,045,511	\$ 397,487
Capital Assets	905,214	807,808	(97,406)
Total Assets	2,553,238	2,853,319	300,081
Current Liabilities	-	-	-
Deferred Inflows of Resources	278,877	304,132	25,255
Net Invested in Capital Assets	905,214	807,808	(97,406)
Unrestricted	1,648,024	1,741,379	93,355
Total Net Position	\$2,553,238	\$2,549,187	\$ (4,051)

LAFOURCHE PARISH Fire Protection District No. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2025

As a result of this year's operations, net position decreased by \$4051. Current assets – mainly cash and investments increased by 20% due to operations. Capital assets and the respective net invested in capital assets decreased by 12% due to the depreciation in excess of assets purchased and capitalized in the current year. The balance in net position of \$2,549,187 represents the accumulated results of all past years' operations.

Condensed Statement of Activities	2024	2025	Increase (Decrease)
Program Expenses:			
Current	\$ 276,323	\$ 242,227	\$ (34,096)
Depreciation/Gain on Sale of Assets	129,093	110,401	(18,692)
Total program expenses	<u>405,416</u>	<u>352,628</u>	<u>(52,788)</u>
General revenues	<u>529,372</u>	<u>348,577</u>	<u>(180,795)</u>
Change in Net Position	123,956	(4,051)	(128,007)
Net Position:			
Beginning of the year restated	<u>2,429,282</u>	<u>2,553,238</u>	<u>123,956</u>
End of the year	<u>\$2,553,238</u>	<u>\$2,549,187</u>	<u>\$ (4,051)</u>

The total revenues for the year in governmental activities were \$348,577 (all in general revenues), a decrease of over \$180,000 – most of the decrease was due to the decrease in ad valorem taxes collected. The total cost of all fire protection services was \$352,628, also a decrease from the prior year by 15%.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FFS)

Funds are used to control and manage money for particular purposes. Reviewing individual funds provides the information to determine if an entity is being accountable for the resources provided and may also give you more insight into the overall financial health.

The General Fund reported an ending fund balance of \$1,741,379 all considered unassigned and available for future use. This reflects an increase of \$93,355 from the prior year.

The General Fund received \$215,231 in ad valorem taxes – a decrease of 37% from the prior year and \$71,790 in intergovernmental revenues – an increase from the prior year. Interest earned, primarily in LAMP invested funds was over \$60,000.

The District spent \$242,227 in current expenditures such as operating services and materials and supplies.

LAFOURCHE PARISH Fire Protection District No. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2025

The District began the year with \$1,648,024 in available fund balance with the increase in fund balance of \$93,355 and ended the year with \$1,741,379 in unassigned available fund balance.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was revised during the year as follows:

Original Budgeted Revenues	\$139,759
Amendments were made for:	
Increased taxes – ad valorem	158,899
Increased Intergovernmental revenue	46,223
Increased interest and other	34,459
Total revenue amendments	239,581
Amended Budgeted Revenues	\$379,340
Original Budgeted Expenditures	\$299,337
Amendments were made for:	
Increased current expenditures	146,229
Decreased capital expenditures	(199,897)
Total expenditure amendments	(53,668)
Amended Budgeted Expenditures	\$245,669

All variances were in compliance with the Local Government Budget Act (R.S. 39:1301-15) R.S. 39:33, or R.S. 39:1331-1342, as applicable. More information on the current year budget can be found in the General Fund Budgetary Comparison Schedule.

CAPITAL ASSETS

The summary of investment in capital assets and depreciation for governmental activities follows:

	2025	2024
Land	\$ 2,600	\$ 2,600
Buildings	53,200	53,200
Trucks	2,130,032	2,130,032
Equipment	296,161	283,168
Total Cost	2,481,993	2,468,998
Accumulated Depreciation	1,674,185	1,563,784
Net Capital Assets	<u>\$ 807,808</u>	<u>\$ 905,214</u>

LAFOURCHE PARISH Fire Protection District No. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2025

Depreciation Expense	<u>\$ 110,401</u>	<u>\$ 128,909</u>
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Depreciation expense was charged to the governmental activities in the Statement of Activities. More detailed information about the capital assets is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Among the factors considered in compiling the 2026 budget were:

1. projects and purchases anticipated
2. new laws and regulations enacted that would apply to the upcoming year
3. new revenue sources or expenditures not previously encountered.

Highlights of next year's budget adopted at the December 3, 2025 meeting for the general fund include:

Projected Revenue	\$ 380,000
Projected Expenditures	<u>(804,920)</u>
Excess Revenue over Expenditures	(424,920)
Beginning Fund Balance	<u>1,741,379</u>
Ending Fund Balance	\$1,316,459

The projected expenditures include \$550,000 in capital purchases for vehicles and asset improvements.

CONTACTING THE DISTRICT 'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Lafourche Parish Fire Protection District No. 2,
P.O. Box 337
Lockport, LA 70374



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANTS REVIEW REPORT

To the Board of Commissioners
Lafourche Parish Fire Protection District No. 2
Lockport, LA

We have reviewed the accompanying financial statements of the governmental activities and each major fund of the Lafourche Parish Fire Protection District No. 2 (the District), a component unit of Lafourche Parish Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements which collectively comprises the basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to managements' financial data and making inquiries of the management. A review includes primarily applying analytical procedures to managements' financial data and making inquiries of the management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility on the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

To the Board of Commissioners
Lafourche Parish Fire Protection District No. 2
Page 2

We are required to be independent and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated May 6, 2026, on the results of our agreed-upon procedures.

Other Supplementary Information

The other information included in the accompanying Schedule of Compensation, Benefits and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the financial statements. The information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statement. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the information. We have not audited the information and, accordingly, do not express an opinion on such information.

Stagni & Company

May 6, 2026
Thibodaux, LA



STAGNI & COMPANY, LLC

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

Statement of Net Position

December 31, 2025

ASSETS

Cash and cash equivalents	\$ 285,839
Investments-LAMP	1,455,540
Taxes Receivable	70,680
Due from other government - ad valorem taxes	233,452
Capital assets, net of depreciation	807,808
Total assets	<u>2,853,319</u>

LIABILITIES

Accounts Payable	<u>-</u>
Total current liabilities	<u>-</u>

DEFERRED INFLOWS OF RESOURCES

Subsequent year - property taxes	304,132
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NET POSITION

Net Investment in capital assets	807,808
Unrestricted	1,741,379
Total net position	<u>\$ 2,549,187</u>

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

Statement of Activities
For the Year Ended December 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services	Operating Grants & Contributions	
General government - current	\$ 9,552	\$ -	\$ -	\$ (9,552)
Public Safety - Fire Protection				
Maintenance	61,517	-	-	(61,517)
Supplies & Training	10,024	-	-	(10,024)
Utilities	16,955	-	-	(16,955)
Fuel	5,635	-	-	(5,635)
General & Administration	111,980	-	-	(111,980)
Depreciation/Gain on Sale of Assets	110,401	-	-	(110,401)
Other	26,564	-	-	(26,564)
Total governmental activities:	\$ 352,628	\$ -	\$ -	(352,628)
General revenues:				
Ad Valorem Taxes				215,231
Intergovernmental revenues				
State revenue sharing				10,130
State fire insurance rebate				61,660
Interest				61,423
Other Income				133
Total general revenues				<u>348,577</u>
Change in net position				<u>(4,051)</u>
Net Position :				
Beginning				<u>2,553,238</u>
Ending				<u><u>\$ 2,549,187</u></u>

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

Balance Sheet - Governmental Funds

December 31, 2025

ASSETS

Cash	\$ 285,839
Investments-LAMP	1,455,540
Taxes receivable	70,680
Due from tax collector	233,452
Total assets	<u>\$ 2,045,511</u>

LIABILITIES

Current Liabilities:

Accounts Payable	\$ -
Total liabilities	<u>-</u>

DEFERRED INFLOWS OF RESOURCES

Subsequent year - property taxes	304,132
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FUND BALANCES

Unassigned	1,741,379
Total fund balances	<u>1,741,379</u>

RECONCILIATION TO STATEMENT OF NET ASSETS:

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

807,808
<u>\$ 2,549,187</u>

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2025

	<u>General</u>
REVENUES	
Property Taxes	\$ 215,231
Intergovernmental - State	
Revenue Sharing	10,130
Insurance Rebate	61,660
Interest earned	61,423
Other Income	133
Total Revenues	<u>348,577</u>
EXPENDITURES	
General government - current	
Ad Valorem tax deductions	9,552
Public Safety - current:	
Operating Services	216,941
Materials and Supplies	15,734
Total current expenditures	<u>242,227</u>
Capital outlay	12,995
Total expenditures	<u>255,222</u>
NET CHANGE IN FUND BALANCES	93,355
FUND BALANCES	
Beginning of year	1,648,024
Ending of year	<u>\$ 1,741,379</u>
Net change in fund balances - total governmental funds	\$ 93,355
RECONCILIATION TO STATEMENT OF ACTIVITIES:	
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.	
Capital Asset purchases	\$ 12,995
Depreciation	(110,401)
(Gain) Loss on Disposal of Asset	<u>-</u>
	<u>(97,406)</u>
Change in net assets of governmental activities	<u><u>\$ (4,051)</u></u>

See notes and Independent Accountants Review Report

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

The Lafourche Parish Fire Protection District No. 2 (the District) operates under provisions of the Louisiana Revised Statutes and local ordinances established by the Lafourche Parish Council. The District has all the rights and powers and privileges granted by and conferred by the Constitution and Statutes of the State of Louisiana, including the right to incur debt, issue bonds and levy taxes.

Note 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Lafourche Parish Council is the financial reporting entity for Lafourche Parish. The Governmental Accounting Standards Board established criteria for determining which component units should be considered part of the Lafourche Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Based on criterion applied, the District is a component unit of the Lafourche Parish Council. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Lafourche Parish Council, the general government services provided by the Council, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds).

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are as follows:

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (continued)

Government-Wide and Fund Financial Statements (continued)

In the government-wide Statement of Net Positions, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The net assets are reported in three parts—net investment in capital assets; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the governmental activities. These functions are also supported by general government revenues (ad valorem taxes, intergovernmental revenues, interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants. This government-wide focus is more on the sustainability as an entity and the change in the net assets resulting from the current year's activities.

Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental Funds are those through which the governmental functions are financed. The acquisition, use, and balances of the expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The Governmental Fund is the General Fund. The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus / Basis of Accounting

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 in which they are assessed. Other revenue is recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

The governmental fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The governmental funds use the following practices in recording revenues and expenditures:

- Ad valorem taxes and the insurance rebate are considered "measurable" at the time of availability since the timing of their collection coincides with the timing of the expenditures to be paid.
- Interest income on investments is recorded when the investments have matured and the income is available.
- Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.
- Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

D. Budgets

The District complies with the "Louisiana Local Government Budget Act" and henceforth, budgets are adopted for its governmental funds on a modified accrual basis that is consistent with generally accepted accounting principles.

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets (continued)

Annual budgets are prepared by the Chief Executive Officer of the Board along with a budget message and presented to the Board for adoption no later than 15 days prior to the beginning of the fiscal year. Budgets are adopted for the fiscal year and lapse at a year-end. The budget is amended by supplemental appropriations as needed to during the year to comply with state law.

E. Cash and Investments

Cash includes amounts in demand deposits, interest-bearing deposits, and money market accounts. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, the District may invest in United States bonds, treasury notes, or certificates. Investments are stated at cost.

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

F. Capital Assets

Capital assets, which include land, improvements, stations and equipment, are reported in the government-wide financial statements. Capital assets purchased or acquired with an original cost of \$5,000 or more are capitalized at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

CATEGORY	<u>LIFE</u>
BUILDINGS	25-40 YEARS
FURNITURE & EQUIPMENT	5-7 YEARS
VEHICLES	10-20 YEARS

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Fund Equity

For government-wide financial statements net assets are classified and displayed in three components:

- Net invested in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets, if any.
- Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “net invested in capital assets.”

When both restricted and unrestricted resources are available for use, it is the District’s Policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned.

- Non-spendable fund balance cannot be spent because of its form.
- Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions.
- Committed fund balance is a limitation imposed by the Board through approval in minutes.
- Assigned fund balances is a limitation imposed by a designee of the Board.
- Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. 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 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.

Note 2 DEPOSITS AND INVESTMENTS

Deposits:

A summary of deposits are listed as follows:

	Reported Amount	Bank Balance
Cash	\$285,839	\$287,039

State law requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished, as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. All the District's deposits are adequately secured by FDIC insurance and the market value of securities pledged.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.S. 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 entity that the fiscal agent has failed to pay deposited funds upon demand.

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 2 DEPOSITS AND INVESTMENTS (continued)

Investments:

Investments of \$1,455,540 include amounts invested in the Louisiana Asset Management Pool (LAMP), a state and local government investment pool. The investments in LAMP have an average maturity of 60 days or less. LAMP is administered by LAMP, Inc., which is a nonprofit corporation organized under the laws of the State of Louisiana formed by an initiative of the State Treasurer in 1993. A board of directors consisting of the State Treasurer, representatives from various organizations of local government, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPA's governs the corporation. These approved investments are carried at cost, which approximate market and may be liquidated as needed. This investment pool has not been assigned a risk category since the district does not issue securities, but rather owns an undivided beneficial interest in the assets of this pool.

Note 3 AD VALOREM TAX REVENUE-RECEIVABLE/DUE FROM TAX COLLECTOR

Revenue: Property taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise, and moveable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at the percentages of actual value as specified by Louisiana law.

A reevaluation of all property is required to be completed no less than every four years. The last revaluation was completed in February 2022. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes.

The tax rate for the year ended December 31, 2024, that the 2025 revenue was calculated was 5.24 mills assessed valuation on property within Lafourche Parish Fire Protection District No. 2 for the purpose of public safety within the District. The assessed values of real property upon which 2024 property tax were based was \$53,219,610.

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 3 AD VALOREM TAX REVENUE-RECEIVABLE/DUE FROM TAX COLLECTOR
(continued)

Receivable/Due from Tax Collector - The Lafourche Parish Sheriff collects and remits property taxes on behalf of all taxing districts in their respective jurisdictions. Property taxes receivable represents real property taxes, and outstanding delinquencies which are measurable as of December 31, 2024, and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by deferred revenue since the current taxes were not levied to finance 2025 operations, and the collection of delinquent taxes has been offset by a deferred inflow of resources since the collection of the taxes during the available period is not subject to reasonable estimation. On a modified accrual basis the revenue is reported as a deferred inflow of resources.

The tax rate for the year ended December 31, 2025 – for revenue to be recognized in 2026 was 5.24 mills of assessed valuation on property within the District. The assessed values of real property upon which the 2025 property taxes are based on is \$58,167,990.

Note 4 COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members during the year ending December 31, 2025.

LAFOURCHE PARISH
FIRE PROTECTION DISTRICT NO. 2
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2025

Note 5 CAPITAL ASSETS

Capital assets and depreciation activity for the year is as follows:

Governmental Activities:	12/31/24 Balance	Additions	Disposals	12/31/25 Balance
Capital assets, not being depreciated				
Land	\$2,600	-	-	\$2,600
Capital assets being depreciated				
Buildings	53,200	-	-	53,200
Trucks	2,130,032	-	-	2,130,032
Equipment	283,166	12,995	-	296,161
Total being depreciated	\$2,466,398	\$12,995	-	\$2,479,393
Total Assets	\$2,468,998	\$12,995	-	\$2,481,993

Less accumulated depreciation:

Buildings	\$23,843	\$1,442	\$-	\$25,285
Trucks	1,307,077	99,682	-	1,406,759
Equipment	232,864	9,277	-	249,141
Totals	\$1,563,784	\$110,401	-	\$1,674,185
Capital assets, net	\$905,214			\$807,808

Depreciation expense of \$110,401 for the year was charged to the governmental activities in the Statement of Activities.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

Budget Comparison Schedule - General Fund
For the Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final (Amended)		
REVENUES				
Taxes - Ad Valorem	\$ 96,780	\$ 255,679	\$ 215,231	\$ (40,448)
Intergovernmental - State				
Revenue Sharing	2,940	10,130	10,130	-
Insurance Rebate	22,627	61,660	61,660	-
Interest earned	17,412	51,739	61,423	9,684
Other income	-	132	133	1
Total Revenues	139,759	379,340	348,577	(30,763)
EXPENDITURES				
General government - current:				
Ad Valorem Tax Deductions	-	-	9,552	(9,552)
Public Safety - current:				
Operating Services				
Utilities	5,808	16,955	16,955	0
Telephone	2,328	6,566	6,566	-
Rentals	5,412	14,400	14,400	-
Maintenance Trucks	9,672	47,347	47,347	-
Maintenance Mach/Equip	7,740	13,041	13,042	(1)
Maintenance Radio Equip	-	1,128	1,128	-
Professional Services	3,876	8,467	8,467	-
Insurance	35,304	96,847	96,847	-
Miscellaneous	1,053	8,347	8,347	-
Convention Reg Fees	1,932	3,742	3,742	-
Fire Chief's Association	-	100	100	-
Total Operating Services	73,125	216,940	216,941	(1)
Material and Supplies				
Medical	-	-	-	-
Office Supplies/Postage	468	77	77	-
Publication Expense	780	-	-	-
Supplies Clothing Gear	2,328	9,947	9,947	-
Vehicle Fuel	3,096	5,635	5,635	-
Materials Other	6,648	75	75	-
Total Material and Supplies	13,320	15,734	15,734	-
Total current expenditures	86,445	232,674	242,227	(9,553)
Capital Outlay				
Acquisition Vehicles	193,548	12,995	12,995	-
Asset Improvements	19,344	-	-	-
Total Capital Outlay	212,892	12,995	12,995	-
Total expenditures	299,337	245,669	255,222	(9,553)
NET CHANGE IN FUND BALANCES	(159,578)	133,671	93,355	(40,316)
FUND BALANCES				
Beginning of year	1,009,675	1,525,343	1,648,024	(638,349)
Ending of year	\$ 850,097	\$ 1,659,014	\$ 1,741,379	\$ (678,665)

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2025

Agency Head Name: Mr. Eric Benoit, Chairman

Purpose	Amount
Salary	\$0
Benefits-insurance	\$0
Benefits-retirement	\$0
Deferred compensation (contributions made by the agency)	\$0
Benefits-other (describe)	\$0
Car allowance	\$0
Vehicle provided by government (enter amount reported on W-2 adjusted for various fiscal years)	\$0
Cell phone	\$0
Dues	\$0
Vehicle rental	\$0
Per diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Housing	\$0
Unvouchered expenses (example: travel advances, etc.)	\$0
Special meals	\$0
Other (including payments made by other parties on behalf of the agency head)	\$0

This form is used to satisfy the reporting requirement of R.S. 24:513(A)(3) on Supplemental Reporting



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES

To the Board of Commissioners
Lafourche Parish Fire Protection District No. 2
Lockport, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Lafourche Parish Fire Protection District No. 2, (the District) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating the management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2025 included in the accompanying *Louisiana Attestation Questionnaire*.

Management is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our applied procedures, together with any observation or findings, follow:

Public Bid Law

1. Obtain documentation for all expenditures made during the year for material and supplies exceeding \$60,000, or public works exceeding \$250,000. Compare the documentation for these expenditures to Louisiana Revised Statute R.S. 38:2211-2296 (the public bid law); and report whether the expenditures were made in accordance with these laws.

There were no such purchases made during the year for materials and supplies nor any contracts that were entered into for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the ethics law).

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

The District did not have any employees during the period under examination.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The District did not have any employees during the period under examination.

5. Obtain a list of all disbursements made during the year; and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

Management provided the requested information. None of the businesses of board members, employees, and board members' and employees' immediate families appeared as vendors on the list of disbursements.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

The District provided the legally adopted budget and any amended budgets.

7. Trace the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

The 2025 Annual Budget was adopted at the December 16, 2024 board meeting and the amended budget was adopted at the December 3, 2025 board meeting.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted by 5% or more, or if actual expenditures exceed budgeted amounts by 5% or more.

The revenue variance was 8% due to the actual ad valorem tax revenue being less than anticipated. The expenditures did not exceed the 5% unfavorable budgets and were in compliance.

Accounting and Reporting

9. Obtain the list of all disbursements made during the fiscal year. Randomly select 6 disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and:

(a) Report whether the six disbursements agree to the amount and the payee in the supporting documentation.

We examined the supporting documentation for six of the six selected disbursements and found that all payments were for the proper amount and made to the correct payee.

(b) Report whether the six disbursements were coded to the correct fund and general ledger account.

Six of the payments were properly coded to the correct fund and general ledger account.

(c) Report whether the six disbursements were approved in accordance with management's policies and procedures.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Board of Commissioners. In addition, each of the disbursements was traced to the District's minutes where they were approved by the full Board.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:11 through 42:28 (the open meetings law) and report whether there are any exceptions.

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. It was noted by inquiry during the year that agendas for meetings were posted or advertised on the door as required.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected all bank deposit slips for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or like indebtedness

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

The District did not have any employees during the period under examination.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The District's prior year report was due on June 30, 2025 and was submitted timely on April 7, 2025.

We were not engaged to and did not; perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information of the management and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this is distributed by the Legislative Auditor as a public document.

Stagni & Company

Thibodaux, Louisiana
May 6, 2026



LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

PO Box 337

Lockport, LA 70374

Chairman – Eric Benoit

Board of Commissioners
Eric Benoit, Chairman
Todd Hebert, Vice-Chairman
John Arvello
Bruce Dufrene
Joseph Sapia

Jessie Punch, Secretary - Treasurer

February 23, 2026

Stagni & Company, LLC
207 Lafaye Ave
Thibodaux, LA 70301

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of **December 31, 2025** and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [☒] No [☐] N/A

[☐]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [☒] No [☐] N/A

[☐]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [☒] No [☐] N/A

[☐]

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [☒] No [☐] N/A

[☐]

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No [☐] N/A

[☐]

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [☒] No [☐] N/A

[☐]

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [☒] No [☐] N/A

[☐]

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

LAFORCHE PARISH FIRE PROTECTION DISTRICT NO. 2

PO Box 337

Lockport, LA 70374

Yes [☒] No [☐] N/A

[]

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [☒] No [☐] N/A

[]

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes [☒] No [☐] N/A

[x]

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [☒] No [☐] N/A

[]

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [☒] No [☐] N/A

[]

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [☒] No [☐] N/A

[]

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No [☐] N/A

[x]

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [☒] No [☐] N/A

[]

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes [☒] No [☐] N/A

[]

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [☒] No [☐] N/A

[]

We have provided you with all relevant information and access under the terms of our agreement.

Yes [☒] No [☐] N/A

[]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [☒] No [☐] N/A

[]

We are not aware of any material misstatements in the information we have provided to you.

Yes [☒] No [☐] N/A

[]

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

PO Box 337

Lockport, LA 70374

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

Yes [☒] No [☐] N/A

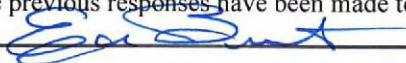
[☐]

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes [☒] No [☐] N/A

[☐]

The previous responses have been made to the best of our belief and knowledge.

 Chairman 2/23/26 Date

Adopted by the governing body by means of a formal resolution in an open meeting on _____

Please attach resolution.

**LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2
P.O. BOX 337
LOCKPORT, LOUISIANA 70374**

**RESOLUTION APPROVING THE LOUISIANA COMPLIANCE
QUESTIONNAIRE RESPONSES**

WHEREAS, the LOUISIANA COMPLIANCE QUESTIONNAIRE requires a resolution adopted by the Board in an open meeting; and

WHEREAS, the Commissioners of said Fire District No. 2, in Regular Session on February 23, 2026, agreed to the above resolution;

THEREFORE, BE IT RESOLVED, that the Lafourche Parish Fire Protection District No. 2, convened in regular session on February 23, 2026, does hereby approve of the responses within the LOUISIANA COMPLIANCE QUESTIONNAIRE;

BE IT FURTHER RESOLVED, that a certified copy of this Resolution shall be forwarded to Stagni & Company for distribution as needed.

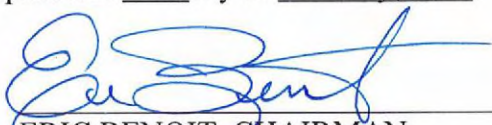
This resolution having been submitted to a vote; the vote thereon was as follows:

YEAS: Eric Benoit, Bruce Dufrene, Joseph Sapia

NAYS: None

ABSENT: Todd Hebert, John Arvello

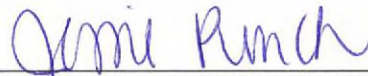
And the resolution was declared adopted this 23rd day of February, 2026.


ERIC BENOIT, CHAIRMAN
LAFOURCHE PARISH FIRE
PROTECTION DISTRICT NO. 2


JESSIE PUNCH, SECRETARY
LAFOURCHE PARISH FIRE PROTECTION
DISTRICT NO. 2

* * * * *

I, JESSIE PUNCH, Secretary for the Lafourche Parish Fire Protection District No. 2, does hereby certify that the foregoing is a true and correct copy of above Resolution adopted by the Commissioners of said Fire District in Regular Session on 23rd day of February 2026., at which meeting a quorum was present.



JESSIE PUNCH, SECRETARY
LAFOURCHE PARISH FIRE
PROTECTION DISTRICT NO. 2