### COMPILED FINANCIAL REPORT

**DECEMBER 31, 2024** 

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### VIGE, TUJAGUE 🧠 NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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To the Board of Commissioners Fire Protection District No. 2 of Acadia Parish, State of Louisiana Egan, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities of Fire Protection District No. 2 of Acadia Parish, State of Louisiana, as of and for the year ended December 31, 2024, which collectively comprise the Fire 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 AICPA. 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.

The accompanying supplementary information and Schedule of Compensation, Benefits, and Other Payments to Agency Head, referred to in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subjected 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 it.

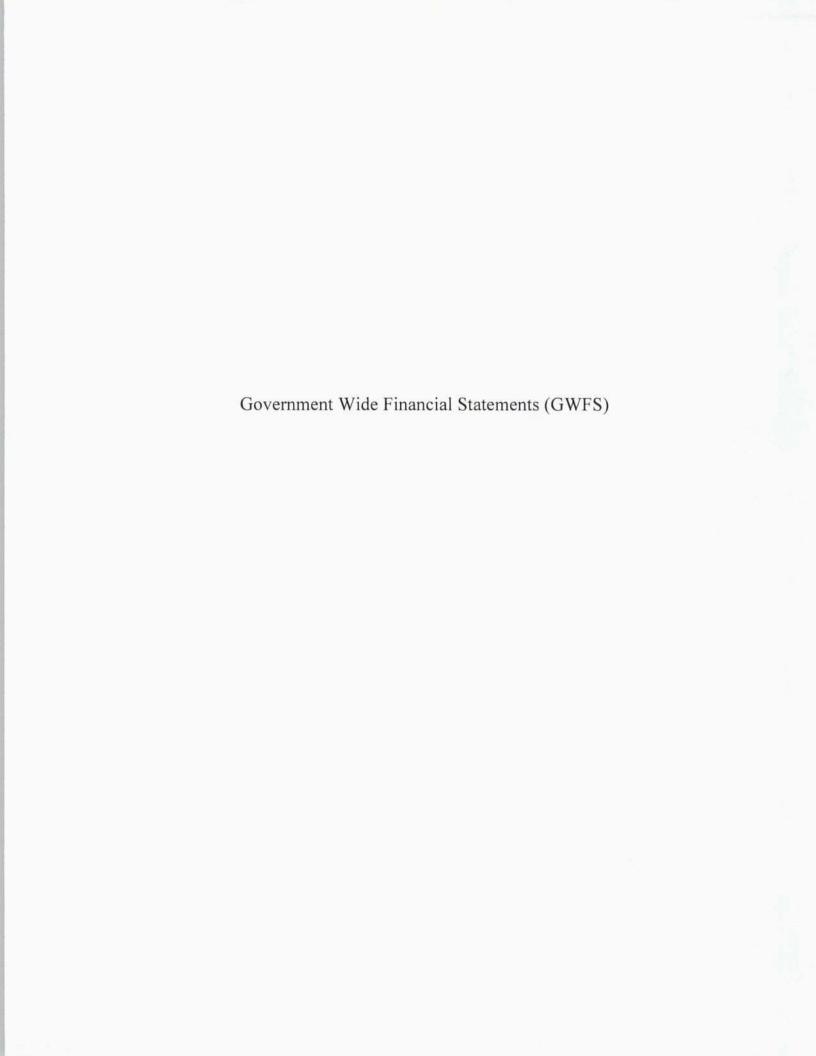
We are independent with respect to Fire Protection District No. 2 of Acadia Parish, State of Louisiana.

Vige, Juggue & Noël

Vige, Tujague & Noël

Eunice, Louisiana

September 16, 2025



# FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA STATEMENT OF NET POSITION DECEMBER 31, 2024

### **ASSETS**

Current assets:	
Cash	\$ 136,993
Property tax receivable	67,531
Total current assets	204,524
Restricted assets:	
Sinking fund	245
Total restricted cash	245
	( <del>)</del>
Non-current assets:	
Capital assets, net	438,610
Total non-current assets	438,610
Total assets	643,379
LIABILITIES	
Current liabilities:	
Accounts payable	
Total current liabilities	7
NET POSITION	
Invested in capital assets,	
net of related debt	438,610
Restricted	245
Unrestricted	204,524
Total net position	\$ 643,379

## FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

				Program	n Rever	nue	Rev C	(Expenses) renues and hange in rt Position
Governmental Activities:		penses		ges for	Capi	tal and rating rant	Gov	rernmental activities
General Government Public safety	_\$_	109,465	\$		\$	-	_\$_	(109,465)
Total Governmental Activities	\$	109,465	\$		\$			(109,465)
	Ger	neral Rever	iues:					
				valorem				67,264
				er incom				11,854
				stment e				486
			Т	otal gene	eral rev	enues		85,604
	Cha	ange in net	positi	on				(23,861)
	Net position - December 31, 2023						667,240	
	Net	position -	Decen	nber 31,	2024		\$	643,379



## FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA BALANCE SHEET ALL - GOVERNMENTAL FUNDS DECEMBER 31, 2024

	(	General
ASSETS Cash	\$	136,993
Property tax receivable Restricted cash		67,531 245
Total assets	\$	204,769
LIABILITIES AND FUND BALANCES		
Deferred inflows of resources:		
Unavailable revenues - property taxes	_\$_	25,797
Total deferred inflows of resources	-	25,797
Liabilities:		
Accounts payable		-
Total liabilities	-	-
Fund balances:		
Restricted for debt service		245
Unassigned		178,727
Total fund balances		178,972
Total liabilities and		12.00 1.00000
fund balances	\$	204,769

# FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2024

Total fund balance for governmental funds at December 31, 2024	\$ 178,972
Total net position reported for governmental activities in the statement of net position are different because:	
The statement of net position reports receivables at their net value. However, receivables not available to pay for current period expenditures are deferred	
in governmental funds	25,797
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Buildings, vehicles and equipment, net of \$630,025 accumulated depreciation	 438,610
Total net position of governmental activities at	

\$ 643,379

December 31, 2024

# FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2024

	(	General
P	,	Fund
Revenues:	\$	46,405
Property tax Interest	Φ	486
Miscellaneous		
	-	11,854
Total revenues		58,745
Expenditures:		
Current:		
Vehicle expense		1,524
Utilities		4,039
Supplies/Repairs		19,532
Insurance		16,677
Legal and Professional		2,740
Miscellaneous		9,874
Capital Outlay		58,123
Total expenditures		112,509
Excess (deficiency) of revenues		
over expenditures		(53,764)
Other financing sources:		
Proceeds from the sale of capital outlay		6,000
Total other financing sources	-	6,000
and the second of the second s	_	
Net changes in fund balances		(47,764)
Fund balance, beginning		226,736
Fund balance, ending	\$	178,972

# FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

Total net change in fund balance for the year ended December 31, 202 per Statements of Revenues, Expenditures and Changes in Fund Balances	24		\$ (47,764)
The change in net position reported for governmental activities in the Statement of Activities is different because:			
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.			20,859
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 outlay which is considered expenditures on the Statements of Revenues, Expenditures, and Changes in Fund Balances	\$	58,123	
Depreciation expense for the years ended December 31, 2024	_	(55,079)	 3,044
Total changes in net position for the year ended December 31, 2024			

(23,861)

per Statement of Activities

#### Notes to Financial Statements

### Note 1. Summary of Significant Accounting Policies

The accounting and reporting practices of the Fire Protection District No. 2 of the Parish of Acadia, Louisiana conform to generally accepted accounting principles of the United States of America as applicable to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, <u>Audits of State and Local Governmental Units</u>, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

### Reporting entity:

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit's reporting entity is financial accountability. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

The Fire Protection District No. 2 of the Parish of Acadia is a component unit of the Acadia Parish Police Jury, the financial reporting entity. The Police Jury is financially accountable for the District because it appoints a voting majority of the board and has the ability to impose its will on the District. The District was established to provide fire protection for the residents of the District.

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 other governmental units that comprise the financial reporting entity.

#### Notes to Financial Statements

### Basis of Presentation

### Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the Fire Protection District No. 2 of the Parish of Acadia as a whole. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods and services offered by the programs, and (b) requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

#### Fund Financial Statement:

The District uses funds 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 set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

The general fund, a governmental fund type, is the general operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds.

#### Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### Notes to Financial Statements

#### Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as described below.

In the fund financial statements, the "current financial resources" measurement focus or the economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

### **Basis of Accounting**

In the government-wide statement of net position and statements of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Fees and non tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Available means collectible within the current period or soon enough thereafter to pay current liabilities, usually 60 days.

Those revenues susceptible to accrual are ad valorem taxes.

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.

#### Notes to Financial Statements

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Uncollectible ad valorem taxes are estimated based on the prior year's history.

### Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's revenues.

### Allocation of indirect expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to these functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

### Use of estimates in the preparation of financial statements:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

#### Concentration of Risks

Concentration of risks with respect to the District is subject to the conditions of the limited geographical area of the District.

#### Notes to Financial Statements

### Budgets:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1. Prior to January 1, the Chairman submits to the Board a proposed operating budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
- 2. Public hearings are conducted to obtain taxpayer comments.
- 3. The budget is legally enacted through the passage of a resolution; amendments are also legally enacted through the passage of a resolution.
- 4. The budget for the general fund is adopted on a fund financial statement basis.
- 5. The budget for the general fund is employed as a management control device during the year.

All budget appropriations lapse at year end. Revenues may not legally fall short of budgeted amounts by more than five percent and expenditures may not legally exceed budgeted appropriations by more than five percent at the individual fund level. The District does not use encumbrance accounting.

The budget amounts disclosed in this report are as originally adopted and amended by the Board.

### Cash and Cash Equivalents

Cash includes amounts in demand deposit, interest – bearing demand, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the municipality may deposit funds in demand deposits, interest – bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

### **Interest-bearing Deposits**

Interest-bearing deposits are stated at cost, which approximates market.

#### Notes to Financial Statements

#### Allowances for Uncollectibles

All receivables that historically represent uncollectible accounts are shown net of an allowance for uncollectible. The allowance for uncollectible accounts in the general fund is estimated at \$0.

### Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activity column in the government-wide financial statements. All purchased fixed assets are valued at cost or estimated historical cost. The amounts of estimated costs are immaterial to these financial statements. Donated fixed assets are stated at their fair market value on the date donated.

The District maintains a threshold level of \$300 or more for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

	Years
Buildings	40
Vehicles	7
Equipment	5

### Net Position and Fund Equity

In the government-wide statements, equity is classified as net position and displayed in three components:

a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

#### Notes to Financial Statements

- b. Restricted net position Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position All other net position that does not meet the definition of "restricted: or "invested in capital assets, net of related debt."

When both restricted and unrestricted net positions are available for use, it is the District's policy to use restricted resources first.

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the fire district's board – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the district board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the district's "intent" to be used for specific purposes but are neither restricted nor committed. The fire district's board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

#### Notes to Financial Statements

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance) are available for use, it is the District's policy to use restricted resources first. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

### Revenues, Expenditures, and Expenses

Program Revenues

Program revenues consist of taxes, fees, fines, and charges for services related to governmental fund activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

### Revenues, Expenditures, and Expenses (continued)

In the fund financial statements, expenditures are classified as follows: Governmental Funds – By Character

In the fund financial statements, governmental funds report expenditures of financial resources.

### Note 2. Cash and Interest-Bearing Deposits

The cash and cash equivalents of the Fire Protection District No. 2 of the Parish of Acadia are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit

#### Notes to Financial Statements

insurance must at all times equal or exceed 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. 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 bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

At December 31, 2024 the District has cash and interest bearing deposits totaling \$140,074, and of this amount \$250,000 was secured by FDIC Insurance.

#### **Note 3.** Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District on September 1 and are actually billed to the taxpayers in the latter part of the fiscal year. Billed taxes become delinquent on January 1 of the following year and January and February of the ensuing year. The following is a summary of the levied ad valorem taxes:

General corporate purpose
Operations and maintenance 6.81

There is also an assessed fee of \$25 per household that is collected along with the ad valorem taxes.

All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year-end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and, accordingly, have not been recorded as revenue.

#### Notes to Financial Statements

Note 4. Capital Assets

Capital asset activity for the year ended December 31, 2024 is as follows:

	Balance 12/31/2023		Additions		Deletions		Balance 12/31/2024	
Governmental Activities					A-11-			
Land, non-depreciable	\$	3,667	\$	-	\$	-	\$	3,667
Buildings		227,153		-		-		227,153
Vehicles		519,965		58,123		(22,830)		555,258
Equipment		282,557		-		-		282,557
Totals		1,033,342		58,123		(22,830)		1,068,635
Less accumulated depreciation		***************************************						
Buildings		95,205		5,931		-		101,136
Vehicles		374,752		25,046		(22,830)		376,968
Equipment		127,819		24,102		-		151,921
Total accumulated depreciation		597,776		55,079		(22,830)		630,025
Governmental Activities								
Capital assets, net	\$	435,566	\$	3,044		-	\$	438,610

### Note 5. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB required a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

### **Note 6.** Evaluation of Subsequent Events

The district has evaluated subsequent events through September 16, 2025, the date which the financial statements were available to be issued.



## FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA BUDGETARY COMPARISON SCHEDULE FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget			Final			Variance- Favorable		
			I	Budget		Actual	(Unfavorable)		
Revenues:									
Property tax	\$	51,480	\$	51,480	\$	46,405	\$	(5,075)	
Grant revenue		10,000		10,000		-		(10,000)	
Interest		450		450		486		36	
Miscellaneous		1,300		1,300		11,854		10,554	
Total revenues		63,230		63,230		58,745		(4,485)	
Expenditures:									
Current:									
Vehicle expense		2,500		2,500		1,524		976	
Utilities		3,610		3,610		4,039		(429)	
Supplies/Repairs		15,000		15,000	19,532			(4,532)	
Insurance		14,612		14,612		16,677		(2,065)	
Legal and Professional		1,995		1,995		2,740		(745)	
Miscellaneous		11,250		11,250		9,874		1,376	
Capital Outlay		-				58,123	222112	(58,123)	
Total expenditures		48,967		48,967		112,509		(63,542)	
Excess (deficiency) of revenues									
over expenditures		14,263		14,263		(53,764)		(68,027)	
Other financing sources:									
Proceeds from sale of capital outli		141		: 2		6,000		6,000	
Total other financing sources		-		-		6,000	_	6,000	
Net changes in fund balances	\$	14,263	\$	14,263		(47,764)	\$	(62,027)	
Fund balance, beginning						226,736			
Fund balance, ending					\$	178,972			

### Notes to Supplementary Information

### 1. Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

### 2. Budgetary Practices

The District prepares and adopts a budget in accordance with LSA-R.S. 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting used by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting record is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

### 3. Stewardship, Compliance, and Accountability

Excess of Expenditures over Appropriations in Individual Funds:

General Fund:

Schedule of Findings and Responses Year Ended December 31, 2024

### 2024-001 Budget Format and Variance

Condition: The budget was not presented in the proper format required by the Local Government Budget Act. Total actual expenses and budgeted revenues exceeded total budgeted expenses by greater than 5%.

Criteria: The Local Government Budget Act (R.S. 396:1301-1314) states that a budget message should be included along with the budget, which should be prepared using the format of the template provided. The Local Government Budget Act (R.S. 396:1301-1314) states that total budgeted revenues should not exceed total actual revenues by greater than 5% and total actual expenditures should not exceed total budgeted expenditures by greater than 5%. When this occurs, the budget should be amended prior to year end.

Cause: The budget was not prepared in the proper format or properly amended to account for total expenses at year end.

Effect: Failure to prepare the budget in the proper format and amend the budget prior to year end, resulted in a variance greater than 5% of budgeted expenses and budgeted revenues and in noncompliance with budget laws.

Recommendation: We recommend that the Fire District prepare the budget using the template provided by the Louisiana Legislative Auditor and to make the necessary amendments to the budget prior to year end.

Response: The Fire District will prepare the budget in the proper format and make the necessary amendments to the budget prior to the year end.

### 2024-002 - Segregation of Duties

Condition: In reviewing the internal control structure, we noted inadequate segregation of duties existed in all areas of the financial cycle.

Criteria: Segregation of duties is required in all areas of the financial cycle.

Cause: Inadequate segregation of duties exists due to the limited number of personnel performing the administrative functions. Due to the lack of resources, the District is unable to implement a segregated system of internal control.

## FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA Schedule of Findings and Responses (Continued) Year Ended December 31, 2024

Effect: Due to the cost-benefit analysis, there was improper segregation of functions within the accounting system.

Recommendation: Based upon the size of the operation and the cost-benefit of additional personnel, it is not feasible to achieve complete segregation of duties.

Response: Management is aware of and has evaluated this inadequacy and concluded that the related cost versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation. We are in agreement with the District that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment.

### 2024-003 - Late Report Submission

Condition: The compilation was not complete or submitted within six months of the close of the entities fiscal year end.

Criteria: The compilation report should be completed and submitted to the Louisiana Legislative Auditor's office within six months of the close of the entities fiscal year end.

Cause: The entity was unable to provide the necessary information to the accountant in a timely manner.

Effect: The compilation was not completed and submitted to the Legislative Auditor by the June 30, 2025 deadline.

Recommendation: The District should provide the necessary information to the accountant in a timely manner to ensure that the compilation is complete and submitted by the required deadline.

Response: The District will provide all necessary information to the accountant in a timely manner to ensure that the compilation is complete and submitted by the required deadline.

Schedule of Prior Year Findings Year Ended December 31, 2024

### 2023-001 Budget Format and Variance

Condition: The budget was not presented in the proper format required by the Local Government Budget Act. Total actual expenses exceeded total budgeted expenses by greater than 5%.

Criteria: The Local Government Budget Act (R.S. 396:1301-1314) states that a budget message should be included along with the budget, which should be prepared using the format of the template provided. The Local Government Budget Act (R.S. 396:1301-1314) states that total budgeted revenues should not exceed total actual revenues by greater than 5% and total actual expenditures should not exceed total budgeted expenditures by greater than 5%. When this occurs, the budget should be amended prior to year end.

Cause: The budget was not prepared in the proper format or properly amended to account for total expenses at year end.

Effect: Failure to prepare the budget in the proper format and amend the budget prior to year end, resulted in a variance greater than 5% of budgeted expenses and in noncompliance with budget laws.

Recommendation: We recommend that the Fire District prepare the budget using the template provided by the Louisiana Legislative Auditor and to make the necessary amendments to the budget prior to year end.

Response: The Fire District will prepare the budget in the proper format and make the necessary amendments to the budget prior to the year end.

Status: This finding is repeated as #2024-001.

### 20232024-002 - Segregation of Duties

Condition: In reviewing the internal control structure, we noted inadequate segregation of duties existed in all areas of the financial cycle.

Criteria: Segregation of duties is required in all areas of the financial cycle.

### Schedule of Prior Year Findings (Continued) Year Ended December 31, 2024

Cause: Inadequate segregation of duties exists due to the limited number of personnel performing the administrative functions. Due to the lack of resources, the District is unable to implement a segregated system of internal control.

Effect: Due to the cost-benefit analysis, there was improper segregation of functions within the accounting system.

Recommendation: Based upon the size of the operation and the cost-benefit of additional personnel, it is not feasible to achieve complete segregation of duties.

Response: Management is aware of and has evaluated this inadequacy and concluded that the related cost versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation. We are in agreement with the District that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment.

Status: This finding is repeated as #2024-002.

#### 2023-003 Public Bid Law Violation

Condition: The Fire District purchased a truck and equipment without following the procedures required by the Public Bid Law.

Criteria: The Public Bid Law (R.S. 38:2211) states that all public works purchases exceeding \$250,000 and all material and supply purchases exceeding \$60,000 must be publicly bid.

Cause: The Fire District purchased a truck in the amount of \$150,000 and equipment in the amount of \$148,548 without following the requirements of the public bid law.

Effect: Failure to obtain bids for the truck and equipment resulted in noncompliance with the public bid law.

Recommendation: We recommend that the Fire District follow the requirements of the public bid law for all applicable purchases in the future.

Schedule of Prior Year Findings (Continued) Year Ended December 31, 2024

Response: The Fire District will obtain bids for all applicable purchases in the future.

Status: This finding is cleared.

# FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF ACADIA, STATE OF LOUISIANA SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD FOR THE YEAR ENDED DECEMBER 31, 2024

Agency Head Name: Paul Miller, Sr., President

Service Period: 12 months

Purpose Amount
Board Per Diem \$ -

### Management's Corrective Action Plan Year Ended December 31, 2024

### 2024-001 Budget Format and Variance

Recommendation: We recommend that the Fire District prepare the budget using the template provided by the Louisiana Legislative Auditor and to make the necessary amendments to the budget prior to year end.

Response: The Fire District will prepare the budget in the proper format and make the necessary amendments to the budget prior to the year end.

### 2024-002 - Segregation of Duties

Recommendation: Based upon the size of the operation and the cost-benefit of additional personnel, it is not feasible to achieve complete segregation of duties.

Response: Management is aware of and has evaluated this inadequacy and concluded that the related cost versus benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation. We are in agreement with the District that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment.

### 2024-003 - Late Report Submission

Recommendation: The District should provide the necessary information to the accountant in a timely manner to ensure that the compilation is complete and submitted by the required deadline.

Response: The District will provide all necessary information to the accountant in a timely manner to ensure that the compilation is complete and submitted by the required deadline.

Paul Milly SR