

**HEFLIN FIRE PROTECTION DISTRICT NO. 12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana**

ANNUAL FINANCIAL STATEMENTS

NOVEMBER 30, 2017

HEFLIN FIRE PROTECTION DISTRICT NO. 12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

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November 30, 2017

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ACCOUNTANTS' COMPILATION REPORT

The Board of Commissioners
Heflin Fire Protection District No. 12
Heflin, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities of Webster Parish (Heflin) Fire Protection #12 which comprise of the Statement of Net Position as of November 30, 2017 and related notes to the financial statements, which collectively comprise the City'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 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 financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

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

We are not independent with respect to Heflin Fire District #12 because we compiled their check register into a general ledger.

Wise Martin & Cole
Minden, Louisiana
May 30, 2018

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Statement of Net Position
November 30, 2017

	Governmental Fund Type	Special Revenue Fund
ASSETS		
Cash	\$ 69,692	
Certificates of Deposit	-	
Receivables	98,844	
Capital assets (net)	-	
Total assets	168,536	
LIABILITIES		
Liabilities:		
Accounts, salaries and other payables	3,554	
Total liabilities	3,554	
NET POSITION		
Unrestricted		164,982
Total net position	\$ 164,982	

See accompanying notes and accountants' compilation report

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Statement of Activities
For the year ended November 30, 2017

	Governmental Activities: <hr/>
	Net (Expense)/ Revenue <hr/>
Governmental activities:	
Expenses:	
Professional Fees	1,472
Retirement	3,554
Office Expense	505
Depreciation	-
Fire Protection Fees	<u>\$ 398,000</u>
Total Expenses	403,531
Program Revenues:	
Ad Valorem Taxes	99,333
Interest	<u>74</u>
Total Revenues	99,407
Change in Net Position	(304,124)
Net position - beginning	<u>469,106</u>
Net position - ending	<u><u>\$ 164,982</u></u>

See accompanying notes and accountants' compilation report

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Balance Sheet - Governmental Fund
November 30, 2017

	Special Revenue Fund
ASSETS	
Cash and cash equivalents	\$ 69,692
Accounts Receivable:	
Ad Valorem Taxes	98,844
Total assets	\$ 168,536
LIABILITIES & FUND EQUITY	
Liabilities:	
Account payable and accrued liabilities	\$ 3,554
Total liabilities	3,554
Deferred Inflows of Resources:	
Property taxes uncollected	47,646
Total deferred inflow of resources	47,646
Fund Balances:	
Fund Balance	
Unassigned	117,336
Total fund equity	117,336
Total liabilities and fund equity	\$ 168,536

See accompanying notes and accountants' compilation report

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Financial Statement of Net Position
November 30, 2017

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

Fund Balance, Total Governmental Fund (Statement C)	\$ 117,336
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund	-
Deferred revenues are not financial resources and, therefore, are not reported in the governmental fund	<u>47,646</u>
Net Position of Governmental Activities (Statement A)	<u><u>\$ 164,982</u></u>

See accompanying notes and accountants' compilation report

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Governmental Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the year ended November 30, 2017

	Special Revenue <u>Fund</u>
Revenues:	
Ad Valorem Taxes	\$ 89,092
Interest	<u>74</u>
Total revenues	<u>89,166</u>
Expenditures:	
Professional Fees	1,472
Retirement	3,554
Office Expense	505
Maintenance and Operations	<u>398,000</u>
Total expenditures	<u>403,531</u>
Excess of revenues over expenditures	(314,365)
Fund balance at beginning of year	<u>431,701</u>
Fund balance at end of year	<u>\$ 117,336</u>

See accompanying notes and accountants' compilation report

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund to the
Statement of Activities
For the Year Ended November 30, 2017

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

Net Change in Fund Balance, Governmental Fund (Statement E)	\$ (314,365)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	-
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Some revenues reported in the statement of activities are not available as current financial resources and, therefore, are not reported as revenues in governmental fund	<u>10,241</u>
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Change in Net Position of Governmental Activities (Statement B)	<u>\$ (304,124)</u>
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See accompanying notes and accountants' compilation report

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Notes to Financial Statements
As of and for the year ended November 30, 2017

INTRODUCTION

The Webster Parish Fire Protection District #12 was created by resolution of the Webster Parish Police Jury in May 1998. The District began collecting ad valorem taxes in January 1999. The district's board of commissioners consists of five members. Two members are appointed by the Webster Parish Police Jury, two members are appointed by the Village of Heflin, and the fifth member is appointed by the other four members and is the chairman of the District. The members of the board of commissioners receive no compensation.

The Heflin Fire Protection District No. 12 includes the Village of Heflin and all the area of South Webster Parish not covered by the Sibley Fire Department or Dubberly Fire Protection District #4.

In June 1998, the Heflin Fire Protection District No. 12 entered into an agreement with the Heflin Volunteer Fire Department, Inc. The Department agreed to provide fire protection for the District in consideration for the ad valorem taxes collected by the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

A. BASIS OF PRESENTATION

The Webster Parish Fire Protection District #12's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accompanying basic financial statements have been prepared in conformity with GASB Statement 34 Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments. The more significant accounting policies established in GAAP and used by the District are discussed below.

B. REPORTING ENTITY

The district is a component unit of the Webster 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 upon them.

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

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Notes to Financial Statements
As of and for the year ended November 30, 2017

C. BASIC FINANCIAL STATEMENTS

Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the funds maintained by the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the District's activities are categorized as governmental activities. The District does not have any business-type activities.

In the government-wide Statement of Net Assets, the governmental activities column is 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 District's net assets are reported in two parts - invested in capital assets, net of related debt, and unrestricted net assets. Fiduciary funds are excluded from the government wide statements.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (certain intergovernmental revenues, interest from deposits, extraordinary items, etc.). 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 while capital grants reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue.

This government-wide focus is more on the sustainability of the District as an entity and the change in the Clerk's net assets resulting from the current year's activities.

Fund Financial Statements

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain clerk functions and activities. A fund is defined as a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The following fund types are used by the Webster Parish Fire District #12:

Governmental Funds – The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the District:

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Notes to Financial Statements
As of and for the year ended November 30, 2017

Special Revenue Fund

The Special Revenue Fund accounts for transactions relating to the collection and disbursement of ad valorem taxes received by the district.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual: The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual: The governmental funds and agency funds in the fund financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. Available means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, and expenditures related to compensated absences is recognized when due.

E. BUDGETS

The District follows these procedures in establishing the budgetary data reflected in these financial statements: (1) The Chairman of the Board prepares a budget and submits to the Board of Commissioners, (2) The budget is adopted through passage of a resolution by the Board of Commissioners, (3) All budgetary appropriations lapse at the end of each fiscal year.

The following schedule reconciles the excess (deficiency) of revenues over expenditures as shown on the budgetary basis statements with the amounts shown on the GAAP basis statements:

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Notes to Financial Statements
As of and for the year ended November 30, 2017

	Special Revenue <u>Fund</u>
Year ended November 30, 2017	
Excess (deficiency) of revenues over expenditures, GAAP basis	\$ (304,124)
(Increase) / Decrease in receivables	(2,303)
(Increase) / Decrease Assets Less Depreciation	
Increase / (Decrease) in payables	31
Increase / (Decrease) in deferred revenues	<u> -</u>
Excess (deficiency) of revenues over expenditures, Cash basis	<u>\$ (306,396)</u>

F. CASH

Cash includes amounts in interest-bearing demand deposits. Under state law, the district 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.

G. FIXED ASSETS

Capital assets are reported in the government-wide financial statements at historical cost. Additions, improvements or other capital outlays that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on a straight line basis over the estimated useful life of the asset.

H. COMPENSATED ABSENCES

Due to the fact that the district has no employees, the district does not maintain a formal vacation and sick leave policy.

I. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by parties for a specific future purpose.

In government-wide statements, equity is classified as invested in capital assets, net of related debt, restricted and unrestricted.

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Notes to Financial Statements
As of and for the year ended November 30, 2017

2. LEVIED TAXES

The District has a levy of 16.56-mill ad valorem tax. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

3. CASH AND CASH EQUIVALENTS

At November 30, 2017, the district has cash and cash equivalents totaling \$69,692 in non-interest-bearing demand. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent in a holding or custodial bank that is mutually acceptable to both parties. At November 30, 2017, the district has \$69,692 in deposits (collected bank balances). These deposits are secured from risk by \$69,692 of federal deposit insurance.

4. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S. 33:2955) and the District's investment policy. Under state law, the District may invest in United States bonds, treasury notes, or certificates. If the original maturities of investments exceeds 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

5. RELATED PARTY TRANSACTIONS

The Webster Parish Fire District #12 has a working relationship with the Heflin Volunteer Fire Department. The Fire District collects the ad valorem taxes and transfers the money as needed to the Fire Department, which maintains fire protection services in the area.

6. LITIGATION AND CLAIMS

The district was not involved in any litigation as of November 30, 2017 nor was it aware of any unasserted claims.

7. SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 30, 2018. This date represents the date the financial statements were available to be issued.

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Notes to Financial Statements
As of and for the year ended November 30, 2017

8. FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance			Balance
	<u>November 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>November 30, 2017</u>
Building	\$ 51,117	_____ -	_____ -	\$ 51,117
Vehicles	_____ -	_____ -	_____ -	_____ -
Total General				
Fixed Assets	\$ 51,117	===== -	===== -	\$ 51,117
Less Accumulated				
Depreciation	\$51,117	===== -	===== -	\$ 51,117

9. RESTATEMENT OF FUND BALANCE

Net Position was restated for \$3,524 payable that was not on prior years records for pension payables.

Net Position reported in 2016	472,630
Less pension payable not reported	_(3,524)
Net Position beginning restated	<u>\$469,106</u>

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
 Heflin, Louisiana

Governmental Fund Types
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget (Cash Basis) and Actual
 For the Year Ended November 30, 2017

	Special Revenue Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues				
Ad Valorem Taxes	96,703	96,703	93,506	(3,197)
Interest	<u> -</u>	<u> -</u>	<u> 74</u>	<u> 74</u>
Total Revenues	<u> 96,703</u>	<u> 96,703</u>	<u> 93,580</u>	<u> (3,123)</u>
Expenditures				
Maintenance & operations	<u> 390,000</u>	<u> 407,000</u>	<u> 399,976</u>	<u> 7,024</u>
Total Expenditures	<u> 390,000</u>	<u> 407,000</u>	<u> 399,976</u>	<u> 7,024</u>
Excess (Deficiency) Revenues over Expenditures	<u> (293,297)</u>	<u> (310,297)</u>	<u> (306,396)</u>	<u> 3,901</u>

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Schedule of Per Diem Paid to Board Members
As of and for the year ended November 30, 2017

The following served on the Board of Commissioners without compensation or other benefits:

Joe Beatty	Chairman
Stewart Beatty	Sec/Treasurer
Catherine Lee	Commissioner
Scott Mizell	Commissioner
Joe Robinson	Commissioner

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer

As of and for the year ended November 30, 2017

Agency Head Name: Chairman Joe Beatty

No salary or benefits are paid to Agency Head

Total salary and other benefits -0-

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Summary Schedule of Prior Year Findings
As of and for the year ended November 30, 2017

There were no findings for the year 2016.

WEBSTER PARISH FIRE PROTECTION DISTRICT #12
WEBSTER PARISH POLICE JURY
Heflin, Louisiana

Corrective Action Plan for Current Year Findings
As of and for the year ended November 30, 2017

There were no findings for the year 2017.