

FIREF PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
Notes to the Financial Statements, Continued  
December 31, 1996

of transaction involved.

**E. GENERAL FIXED ASSETS AND LONG-TERM LIABILITIES**

Fixed assets are accounted for in the general fixed assets account group, rather than in the General Fund. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical costs. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations. It is the policy of the district not to capitalize interest. Although no infrastructure is owned by the district, the district's policy would require reporting of such assets.

**F. CASH AND CASH EQUIVALENTS**

For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit. Under state law, the district may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the district may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

As confirmed by the fiscal agent and other institutions, the district had cash and cash equivalents totaling \$91,323 at December 31, 1996. Cash and cash equivalents are stated at cost, which approximates market. These deposits must be secured under state law by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved. The following is a summary of cash and cash equivalents at December 31, 1996 with the related federal deposit insurance and pledged securities. The cash and cash equivalents at December 31, 1996 were secured as follows:

Bank balances	<u>\$91,323</u>
Federal deposit insurance	<u>\$91,323</u>
Total uninsured deposits	<u>\$-----</u>

**G. PENSION PLAN AND VACATION AND SICK LEAVE**

All members of the fire district are volunteers. Therefore, the fire district does

FIRE PROTECTION DISTRICT NO. 10  
 OF LIVINGSTON PARISH  
 Notes to the Financial Statements, Continued  
 December 31, 1996

not contribute to a pension plan and does not have a formal vacation and leave policy.

2. LEVIED TAXES

A 10 mill ad valorem tax was authorized and levied for 1996.

3. CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in fixed assets.

	BALANCE 12/31/95	ADDITIONS	DELETIONS	BALANCE 12/31/96
Buildings	\$ 43,375	\$ -0-	\$ -0-	\$ 43,375
Land	4,483	3,000	0-	7,483
Equipment and Furniture	6,349	1,369	0-	7,718
Fire Protection Equipment	122,068	3,133	0-	125,201
<b>Totals</b>	<b>\$176,275</b>	<b>\$ 7,502</b>	<b>\$ -0-</b>	<b>\$183,777</b>

4. SCHEDULE OF PER DIEM

Louisiana Revised Statute 33:4564(B) provides that commissioners may receive a per diem of ten dollars for each meeting of the commission; however, the district's commissioners have elected not to receive any compensation for their services.

5. LEASES

Fire Protection District No. 10 has no capital or operating lease obligations at December 31, 1996.

6. LITIGATION AND CLAIMS

According to legal counsel, there are no claims nor litigation pending against the fire district at December 31, 1996.

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FIRE PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
HOLDEN, LOUISIANA

ANNUAL FINANCIAL REPORT

DECEMBER 31, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. This report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/29/96

FIRE PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
Houma, Louisiana

Annual Financial Statements with Independent Auditor's Report  
For the Year Ended December 31, 1996

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**LEROY J. CHUSTZ**

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**INDEPENDENT AUDITOR'S REPORT**

Board of Commissioners  
Livingston Parish Fire Protection District No. 10  
Houma, Louisiana

I have audited the accompanying general purpose financial statements of Livingston Parish Fire Protection District No. 10, Houma, Louisiana, a component unit of Livingston Parish Council, as of and for the year ended December 31, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of Livingston Parish Fire Protection District No. 10's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Louisiana Governmental Audit Guide, issued by the Louisiana Legislative Auditor. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Livingston Parish Fire Protection District No. 10 as of December 31, 1996, and the results of its operations and for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated April 30, 1997 on my consideration of Livingston Parish Fire Protection District No. 10 internal control structure and a report dated April 30, 1997 on its compliance with laws and regulations.

  
Leroy J. Chustz  
Certified Public Accountant, APAC  
April 30, 1997

FIRE PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
Bossier, Louisiana

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
December 31, 1990

**ASSETS**

	GOVERNMENTAL FUND TYPE- GENERAL FUND	ACCOUNT GROUP GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
<b>CURRENT ASSETS</b>			
Cash and cash equivalents (Over 1/2)	\$ 91,328	\$ 0-	\$ 91,328
Receivables			
Ad valorem taxes	25,712	0-	25,712
Total current assets	117,040	0-	117,040
<b>GENERAL FIXED ASSETS</b>			
Buildings	0-	41,315	41,315
Land and improvements	0-	7,483	7,483
Equipment and furniture	0-	7,748	7,748
Fire protection equipment	0-	128,128	128,128
Total general fixed assets	0-	186,730	186,730
<b>TOTAL ASSETS</b>	<b>\$117,040</b>	<b>\$186,730</b>	<b>\$303,770</b>

**LIABILITIES AND FUND EQUITY**

<b>CURRENT LIABILITIES</b>			
Deductions from ad valorem taxes payable	\$ 1,828	\$ 0-	\$ 1,828
Total current liabilities	1,828	0-	1,828
<b>FUND EQUITY</b>			
Investments in general fund assets	0-	186,730	186,730
Fund balances:			
Reserved for EMS equipment	1,080	0-	1,080
Unreserved, unassigned	124,045	0-	124,045
Total fund equity	125,125	186,730	311,725
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$126,953</b>	<b>\$186,730</b>	<b>\$313,725</b>

See accompanying notes to the financial statements.

## STATEMENT D

FIRE PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
Baldon, Louisiana

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -  
ALL GOVERNMENTAL FUND TYPES - (GENERAL FUND)  
For the Year Ended December 31, 1996

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Ad valorem taxes	\$20,000	\$ 34,581	\$14,581
Intergovernmental revenues			
State Revenue-Sharing	9,600	9,649	49
Fire insurance premium rebate	8,300	8,392	(108)
Use of money and property-			
Interest earnings	0-	3,756	3,756
Other revenues	<u>2,300</u>	<u>6,626</u>	<u>4,326</u>
<b>TOTAL REVENUES</b>	<b>40,600</b>	<b>63,004</b>	<b>22,404</b>
<b>EXPENDITURES</b>			
Current operating			
Public safety	38,300	25,069	13,231
Capital outlay			
Public safety	<u>3,000</u>	<u>9,334</u>	<u>(6,334)</u>
<b>TOTAL EXPENDITURES</b>	<b>41,300</b>	<b>34,403</b>	<b>6,897</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b><u>(7,700)</u></b>	<b><u>28,601</u></b>	<b><u>28,601</u></b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<b><u>26,665</u></b>	<b><u>26,665</u></b>	<b><u>0</u></b>
<b>FUND BALANCE AT END OF YEAR</b>	<b><u>\$18,965</u></b>	<b><u>\$123,046</u></b>	<b><u>\$104,081</u></b>

See accompanying notes to the financial statements.

FIRE PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
Notes to the Financial Statements, Contingent  
December 31, 1996

group whereby a separate, self-balancing set of accounts (General Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenditures.

**B. MEMORANDUM ONLY-TOTAL COLUMN**

The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**C. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The fire district's records are maintained on a cash basis of accounting. However, the General Fund, as reported in the accompanying financial statements, has been converted to a modified accrual basis of accounting using the following practices in recording revenues and expenditures:

**Revenues**

*Ad valorem taxes are collected in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. The amount of taxes not expected to be collected is not material and no provision for such is provided.*

*Substantially all other revenues are recorded when received.*

**Expenditures**

*Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.*

**D. BUDGET PRACTICE**

*The fire district adopts an annual budget based on anticipated revenues consistent with generally accepted accounting principles. Annual appropriations of funds are not made. Budgetary accounts are not integrated in the formal accounting system. Encumbrance accounting is not followed because of the small number*



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners  
Livingston Parish Fire Protection District No. 10  
Holtze, Louisiana

I have audited the general purpose financial statements of Livingston Parish Fire Protection District No. 10, Holtze, Louisiana, a component unit of Livingston Parish Council as of and for the year ended December 31, 1996, and have issued my report thereon dated April 30, 1997.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and *Louisiana Governmental Audit Guide*, issued by the Louisiana Legislative Auditor. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

Compliance with laws, regulations, contracts, and grants applicable to Livingston Parish Fire Protection District No. 10, is the responsibility of Livingston Parish Fire Protection District No. 10's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, I performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Board of Commissioners of Livingston Parish Fire Protection District No. 10, Livingston Parish Council, and the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

  
Leroy J. Chustz  
Certified Public Accountant, APAC  
April 30, 1997

**LEROY J. CHUSTZ**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

Board of Commissioners

Livingston Parish Fire Protection District No. 10

Holton, Louisiana

I have audited the general purpose financial statements of Livingston Parish Fire Protection District No. 10, Holton, Louisiana, a component unit of Livingston Parish Council, as of and for the year ended December 31, 1996, and have issued my report thereon dated April 30, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Accounting Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of Livingston Parish Fire Protection District No. 10, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of Livingston Parish Fire Protection District No. 10, for the year ended December 31, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low

level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Commissioners of Livingston Parish Fire Protection District No. 33, Livingston Parish Council, and the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Leroy Roberts  
Certified Public Accountant, APAC  
April 30, 1997

FIRE PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
Houma, Louisiana

Notes to the Financial Statements  
For the Year Ended December 31, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fire Protection District No. 10 of Livingston Parish, Houma, Louisiana, was created by the Livingston Parish Police Jury on September 10, 1985, pursuant to the provisions of R.S. 33:5811, et. seq., of the Louisiana Revised Statutes of 1990.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification is recognized as generally accepted accounting principles for state and local government.

GASB Codification Section 2100 established criteria for determining the governmental reporting entity and component units which should be included within the reporting entity. The reporting entity for Livingston Parish includes the component unit with oversight responsibility, and other governmental entities within the parish for which the police jury has oversight responsibility. Oversight responsibility is determined on the basis of the following criteria:

1. Financial interdependency
2. Selection of governing authority
3. Designation of management
4. Ability to significantly influence operations
5. Accountability for fiscal matters
6. Scope of public service
7. Special financing relationship

Based on the previous criteria, the Livingston Parish Council has determined that Fire Protection District No. 10 of Livingston Parish is part of the reporting entity based on criteria 2, 4, and 6.

The accounting policies of Fire Protection District No. 10 of Livingston Parish conform to generally accepted accounting principles. The following is a summary of the significant policies.

A. FUND ACCOUNTING

The fire district is organized and operated on the basis of a fund and account

FIRE PROTECTION DISTRICT NO. 10  
OF LIVINGSTON PARISH  
Notes to the Financial Statements, Continued  
December 31, 1996

7. FUND BALANCE RESERVATION

In September, 1995, Carverham Forest Industries made a \$1,000 contribution to the district. The donation was made with the stipulation that the funds be used to purchase "medical-related equipment." As of December 31, 1995, the district has not used any portion of the donation for the required purpose.