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NATCHITOCHE PARISH FIRE PROTECTION
DISTRICT NO. 1

FINANCIAL REPORT
DECEMBER 31, 1995

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. The 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 JUN 26 1996

Natchitoches Parish Fire Protection District No. 1
Financial Report
December 31, 1995

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Johnson, Thomas & Cunningham

Certified Public Accountants

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ACCOUNTANTS' COMPILATION REPORT ON THE FINANCIAL STATEMENTS

Natchitoches Parish Fire Protection
District No. 1
P. O. Box 62
Cloutierville, Louisiana 71416

We have compiled the accompanying balance sheet of the Natchitoches Parish Fire Protection District No. 1, a component unit of the Natchitoches Parish Police Jury, as of December 31, 1995, and the related Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual for the year then ended, in accordance with standards established by the American Institute of Certified Public Accountants. The financial statements have been prepared on the modified accrual basis of accounting, which is the generally accepted accounting principles established by the Governmental Accounting Standards Board of governmental units.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements, and accordingly, do not express an opinion or any other form of assurance on them.

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, CPAs

June 4, 1996
Natchitoches, Louisiana

COMPONENT UNIT FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Natchitoches Parish Fire Protection District No. 1
 Combined Balance Sheet
 Fund Type and Account Group
 December 31, 1995

	<u>Governmental Fund Type General Fund</u>	<u>Account Group General Fixed Assets</u>	<u>Totals (Memorandum Only)</u>
<u>Assets</u>			
Cash	\$ 5,048	\$ -0-	\$ 5,048
Revenue Receivables	33,249	-0-	33,249
Buildings & Equipment	<u>-0-</u>	<u>204,411</u>	<u>204,411</u>
Total Assets	<u>\$38,297</u>	<u>\$204,411</u>	<u>\$242,708</u>
<u>Liabilities & Fund Equity</u>			
Liabilities-			
Accounts Payable	\$ 441	\$ -0-	\$ 441
Fund Equity-			
Investment in General Fixed Assets	-0-	204,411	204,411
Fund Balance-			
Unreserved-Undesignated	<u>37,856</u>	<u>-0-</u>	<u>37,856</u>
Total Liabilities & Fund Equity	<u>\$38,297</u>	<u>\$204,411</u>	<u>\$242,708</u>

See accountant's compilation report.

Natchitoches Parish Fire Protection District No. 1
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual-
General Fund Type
Year Ended December 31, 1995

	General Fund		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Taxes	\$ 33,500	\$36,821	\$ 3,321
Intergovernmental	5,000	5,472	472
Miscellaneous	<u>1,000</u>	<u>2,205</u>	<u>1,205</u>
Total Revenues	<u>\$ 39,500</u>	<u>\$44,498</u>	<u>\$ 4,998</u>
EXPENDITURES:			
Current-			
General Government	\$ 2,000	\$ 1,659	\$ 341
Public Safety	31,200	19,206	11,994
Capital Expenditures	<u>35,500</u>	<u>32,881</u>	<u>2,619</u>
Total Expenditures	<u>\$ 68,700</u>	<u>\$53,746</u>	<u>\$14,954</u>
Excess (Deficiency) of Revenues over Expenditures	\$(29,200)	\$(9,248)	\$19,952
Fund Balance - Beginning of Year	<u>47,105</u>	<u>47,105</u>	<u>-0-</u>
Fund Balance - End of Year	<u>\$ 17,905</u>	<u>\$37,857</u>	<u>\$19,952</u>

See accountant's compilation report.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1995

1. The Reporting Entity:

Fire Protection District No. 1, of Natchitoches Parish, Louisiana was created in June 1982, by ordinance of the Natchitoches Parish Policy Jury. The District is charged with providing fire protection for the citizens of District No. 1 of Natchitoches Parish.

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 accounting and financial reporting standards. The codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

Fire Protection District No. 1, of Natchitoches Parish prepares its financial statements in accordance with the standards established by the GASB. GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the Natchitoches Parish Police Jury. The accompanying statements present only transactions of the Fire District No. 1, of Natchitoches Parish, a component unit of the Natchitoches Parish Police Jury.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of Natchitoches Parish Fire Protection District No. 1 conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517.

As the governing authority of the parish, for reporting purposes, the Natchitoches Parish Police Jury is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Natchitoches Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1995

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury created by ordinance Fire District No. 1, the district was determined to be a component unit of the Natchitoches Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The following is a summary of certain significant accounting principles and practices-

Fund Accounting:

The accounts of Natchitoches Parish Fire Protection District No. 1 are organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund or account groups are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, revenues and expenditures. Resources are allocated to the fund or account group based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in this report is described as follows:

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1995

Governmental Fund-

General Fund. The General Fund is the general operating fund of the District. It is used to account for all financial resources of the District.

Fixed Assets and Long-term Liabilities-

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The governmental fund is accounted for on a spending or "financial flow" measurement focus and only current assets and liabilities are generally included on its balance sheet.

Fixed assets used in the governmental fund operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in the general fund.

These assets are recorded as expenditures in the General Fund when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost.

The account group is not a "fund". It is concerned only with the measurement of financial position, not with measurement of results of operations.

Basis of Accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The General Fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Purchase of various operating supplies are regarded as expenditures at the time purchased.

The Natchitoches Parish Fire Protection District No. 1 does not employ the use of "Encumbrance accounting".

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1995

Total Columns on Combined Statements-Overview:

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis.

Budgetary Practices:

Prior to the beginning of each fiscal year, the Treasurer submits a proposed budget to the Board of Commissioners. The budget is adopted, and held open for public inspection. All budgetary appropriations lapse at the end of the year. The budget presented in these financial statements was adopted on a basis consistent with generally accepted accounting principles.

Investments:

The District does not have any investments other than cash invested in interest bearing checking accounts.

3. Pension Plan:

The District is not a member of any retirement plan.

4. General Fixed Assets:

A summary of changes in general fixed assets follows:

	<u>Balance 1-1-95</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12-31-95</u>
Fire Equipment	<u>\$171,530</u>	<u>\$32,881</u>	<u>\$-0-</u>	<u>\$204,411</u>

5. Litigation:

The District is not a party in any litigation seeking damages for the year ended December 31, 1995.

6. Related Party Transactions:

The District had no related party transactions for the year ended December 31, 1995.

7. Compensation Paid to Board Members:

The members of the Board of Commissioners of the District receive no compensation for their services.

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1995

9. Cash and Investments:

For reporting purposes, cash and cash equivalents include cash, demand deposits, time deposits, and certificates of deposits. At December 31, 1995, the District had cash equivalents totaling \$5,048. Under Louisiana Law, these deposits must be secured by Federal deposit insurance, or by 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. The deposits at December 31, 1995, were as follows:

	<u>Bank Balance</u>	<u>FDIC Insurance</u>	<u>Balance Uninsured</u>
Cash In Banks	<u>\$5,048</u>	<u>\$5,048</u>	<u>\$-0-</u>