

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 2**

**LOCKPORT, LOUISIANA**

**COMPONENT UNIT FINANCIAL STATEMENTS**

**December 31, 2003**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the cities 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: 11-23-04



24 Professional Centerway  
101 Southdown Road, Metairie, LA 70002  
(504) 887-8007 Fax (504) 887-4002  
tskearns@tskearns.com  
www.tskearns.com

TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS  
March 24, 2004

Office of Legislative Auditor  
5000 North Third  
Post Office Box 94307  
Baton Rouge, Louisiana 70804-9307

Dear Sir or Madam:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the:

LAFORCHE PARISH FIRE PROTECTION DISTRICT NO. 2  
STATE OF LOUISIANA  
LAFORCHE PARISH COUNCIL

as of and for the year ended December 31, 2003. The report includes all funds under control and oversight of the district. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Name: Gostel Leonard  
Title: Treasurer

Enclosure

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2  
STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Lodport, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Office of Legislative Auditor within 90 days after the close of the fiscal year.

**AFFIDAVIT**

Personally came and appeared before the undersigned authority, Gerald Leonard, who, duly sworn, deposes and says that the financial statements herewith given present truly the financial position of the:

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2  
STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL

as of December 31, 2003 and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

  
\_\_\_\_\_  
Signature

Sworn to and subscribed before me, this 31 day of November, 2004.

  
\_\_\_\_\_  
NOTARY PUBLIC

Officer: Gerald Leonard, Treasurer

Address: P.O. Box 325

Lodport, Louisiana 70374

Telephone: 985-532-8823

**LAFORCHE PARISH FIRE PROTECTION DISTRICT NO. 2**  
**December 31, 2005**

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

We have compiled the accompanying basic financial statements of the Lafourche Parish Fire Protection District No. 2, a component unit of the Lafourche Parish Council, as of December 31, 2003, and for the year then ended. The financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units in the United States of America.

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.

A handwritten signature in cursive script, appearing to read "T.S. Kearns &amp; Co.", is written over a horizontal line.

March 24, 2004

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2  
Lockport, Louisiana

Management's Discussion and Analysis  
For the Year Ended December 31, 2003

Our discussion and analysis of the Lafourche Parish Fire Protection District No. 2's (hereafter referred to as the District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2003.

The Management's Discussion and Analysis is an element of the new reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34 issued in June 1999. This is the second year that the District has implemented this model and comparative information will be included in this analysis.

**FINANCIAL HIGHLIGHTS**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 5 and 6) provided information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 7. These statements tell how these services were financed in the short term as well as what remains for future spending. The District is a component unit of the Lafourche Parish Council. Its operations are conducted through a general fund and debt service fund.

A summary of the basic government-wide financial statements is as follows:

	2003	2002
<b>SUMMARY OF STATEMENT OF NET ASSETS</b>		
<b>ASSETS</b>		
Cash and Receivables	\$ 402,895	\$ 305,739
Capital assets - net of accumulated depreciation	289,429	317,741
<b>Total Assets</b>	<b>692,324</b>	<b>623,480</b>
<b>LIABILITIES</b>		
Other liabilities	\$ 2,419	\$ 19,625
<b>Total liabilities</b>	<b>2,419</b>	<b>19,625</b>
<b>Net assets</b>	<b>\$ 689,905</b>	<b>\$ 603,855</b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	\$ 289,429	\$ 317,741
Unreserved net assets	400,476	286,114
<b>Net assets</b>	<b>\$ 689,905</b>	<b>\$ 603,855</b>

- Based upon the operation of 2003 the District's total net assets increased by \$54,871, which resulted in a total ending net assets of \$689,695.
- Capital assets and Investment in capital assets decreased by \$28,310 or 6.91%. This net decrease is due to the purchase of assets for the year in the amount of \$8,578 and depreciation expense for the year in the amount of \$34,890.
- Cash and receivables increased during the year by \$65,977 or 19.68%. This increase was caused by an increase of \$77,898 in the LAMP account and receivables at December 31, 2003 being \$14,274 lower than at December 31, 2002.
- Other liabilities as of December 31, 2003 were lower than at December 31, 2002 by \$17,206. This decrease was caused by an accrual at December 31, 2002 in the amount of \$15,221 for the purchase of an accessory for a vehicle purchased in 2002.

#### SUMMARY OF STATEMENT OF ACTIVITIES

	<u>2003</u>	<u>2002</u>
<b>REVENUES:</b>		
General revenues		
Property taxes	\$ 100,080	\$ 120,362
Other	35,531	34,270
Total revenues	<u>\$ 135,612</u>	<u>\$ 162,672</u>
<b>EXPENSES:</b>		
Program expenses	\$ 40,851	\$ 73,694
Depreciation expense	34,890	34,096
Total expenses	<u>\$ 75,741</u>	<u>\$ 107,790</u>
Change in net assets	<u>\$ 54,871</u>	<u>\$ 64,902</u>

- Based upon the operation of 2003 the District's total revenues were \$135,612 and its total expenses were \$75,741, which resulted in a total change in net assets of \$54,871.
- Property taxes revenue was lower in 2003 than in 2002 by \$22,282 or 17.26%. This was due to lower property taxes receivable as of December 31, 2003 compared to December 31, 2002.
- Program expenses for 2003 were \$32,843 or 32.33% lower than in 2002. As noted above, revenues for the same period were lower also.
- Depreciation expense for the year 2003 was higher than 2002 by \$10,694 or 42%. This was because of higher asset basis to be depreciated in 2003.

### GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared using the cash basis of accounting. It was amended in November 2003 to more accurately reflect the District's financial activity for the year.

Actual revenues for the year (\$157,852) were slightly higher than the budgeted amount (\$153,885); while the actual expenses for the year (\$73,591) were slightly lower than the budgeted amount (\$73,677).

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District has the authority to levy millage rates up to 5.24 mills. The 2003 rates were levied at 5.24 mills.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Gerard Leonard located at P.O. Box 375, Lakeport, LA 70374.



## LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

STATEMENT OF NET ASSETS  
December 31, 2003

<b>ASSETS</b>	
Cash and cash equivalents	\$ 289,828
Receivable	121,869
Capital assets - net of accumulated depreciation	<u>289,429</u>
<b>Total Assets</b>	<b><u>\$ 699,114</u></b>
<b>LIABILITIES</b>	
Accounts payable	<u>\$ 2,419</u>
<b>Total liabilities</b>	<b><u>\$ 2,419</u></b>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	\$ 289,429
Unreserved net assets: General fund	<u>409,285</u>
<b>Total net assets</b>	<b><u>\$ 699,695</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 699,114</u></b>

## LAFOLIRCHE PARISH FIRE PROTECTION DISTRICT NO. 2

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2000

	PROGRAM REVENUES			TOTAL
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
<b>EXPENSES:</b>				
Public safety - fire protection:				
Maintenance	\$ 4,745			\$ 4,745
Rentals	7,200			7,200
Supplies & training	1,873			1,873
Utilities	15,758			15,758
Fuel	1,488			1,488
General & Administrative	18,839			18,839
Depreciation	34,800			34,800
Other	58			58
	<u>          </u>			<u>          </u>
Total governmental activities	\$ 84,741			\$ 84,741
<b>GENERAL REVENUES:</b>				
All other taxes			\$ 108,000	\$ 108,000
Intergovernmental revenues:				
State revenue sharing			9,768	9,768
State fire insurance rebates			20,985	20,985
Interest			2,878	2,878
Other			213	213
			<u>          </u>	<u>          </u>
Total general revenues			\$ 138,812	\$ 138,812
Changes in net assets				54,071
Net assets:				
Beginning of the year				654,034
End of the year				<u>\$ 708,105</u>

See accountant's compilation report and accompanying notes.

## LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

BALANCE SHEET  
GOVERNMENTAL FUND  
December 31, 2003

	<u>Governmental Fund Types</u>
	<u>General</u>
<b>ASSETS</b>	
Cash	\$ 280,828
Receivables-	
As valorem taxes	112,166
Louisiana Revenue sharing	<u>8,755</u>
<b>Total Assets</b>	<b><u>\$ 402,685</u></b>
<b>FUND EQUITY</b>	
<b>Liabilities</b>	
Accounts payable	\$ 2,419
<b>Fund balance -</b>	
Unreserved	<u>400,266</u>
<b>Total fund equity</b>	<b><u>\$ 400,266</u></b>
<b>Total Liabilities and Fund Equity</b>	<b><u>\$ 402,685</u></b>

See accountant's compilation report and accompanying notes.

**LAFORCHE PARISH FIRE PROTECTION DISTRICT NO. 2**  
**RECONCILIATION OF THE GOVERNMENT FUND BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS**  
**December 31, 2003**

Total fund balances - governmental funds (Statement C)	\$	480,250
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The purchase of capital assets are reported as expenditures as they are incurred in the governmental funds. The Statement of Net Assets reports capital assets as an asset to the District. These capital assets are depreciated over their estimated useful lives in the Statement of Activities and are not reported in the governmental funds.

Cost of capital assets	\$	730,178	
Less: Accumulated depreciation		<u>243,780</u>	
			<u>486,398</u>

Net Assets (Statement A)	\$	<u>486,398</u>
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## LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND - GENERAL FUND  
For the year ended December 31, 2000

Revenues:	
Taxes - ad valorem	\$ 108,080
Intergovernmental -	
State of Louisiana:	
Revenue sharing	9,750
Insurance rebate	23,689
Use of money and property -	
Interest earned	2,076
Other income	<u>233</u>
Total revenues	<u>139,612</u>
Expenditures:	
General government -	
Intergovernmental	
Advancement (tax deductions)	50
Public safety -	
Operating services	40,222
Material and supplies	9,576
Capital Outlay	<u>8,878</u>
Total public safety	<u>58,676</u>
Total expenditures	<u>58,726</u>
Excess (deficit) revenues over expenditures	80,886
Fund balance, beginning	<u>317,080</u>
Fund balance, ending	<u>\$ 400,258</u>

(See accountant's compilation report and accompanying notes.)

## LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

December 31, 2000

Net change in fund balances - total governmental funds (Statement E)	\$ 83,193
Amounts reported for governmental activities in the statement of activities (Statement B) are different as follows:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets are allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation (24,690) exceeded capital outlay (3,378) during the year.	<u>(28,068)</u>
Change in Net Assets (Statement B)	\$ <u>55,125</u>

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Lafourche Parish Fire Protection District No. 2's financial statements are prepared in accordance 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). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The following is a summary of certain significant accounting policies:

**a. REPORTING ENTITY:**

The District is a component unit of the Lafourche Parish Council.

The District has reviewed all of its activities and determined that there are no potential component units that should be included in its financial statements.

**b. GOVERNMENT-WIDE ACCOUNTING**

In accordance with Government Accounting Standards Board Statement No. 34, the District has presented a Statement of Net Assets and Statement of Activities for the District as a whole. These statements include the primary government and its component units, if applicable, with the exception of fiduciary funds. These funds are reported separately. Government-Wide Accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity. The Statement of Net Assets and Statement of Activities are reported on the accrual basis of accounting.

Government-wide statements distinguish between governmental-type and business-type activities. Governmental activities are those financed through taxes, intergovernmental revenues, and other non-exchange revenues and are usually reported in governmental and internal service funds. Business activities are financed in whole or in part through fees charged for goods or services to the general public and are usually reported in proprietary funds.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS

December 31, 2003

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

b. **GOVERNMENT-WIDE ACCOUNTING (continued)**

Policies specific to the government-wide statements are as follows:

**Eliminating Internal Activity**

Interfund receivables and payables are eliminated in the Statement of Net Assets except for the net residual amounts due between governmental and business-type activities. These are presented as internal balances.

**Application of FASB Statements and Interpretations**

Reporting on governmental-type activities are based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

**Capitalizing Assets**

Assets used in operations with an initial useful life that extends beyond one year are capitalized. Equipment, furniture and fixtures, leasehold improvements, and buildings are depreciated over their estimated useful lives. Depreciation is not calculated on land, land improvements, or construction in progress. Accumulated depreciation is recorded as net of depreciable assets in the Statement of Net Assets.

**Program Revenues**

The Statement of Activities present two categories of program revenues: (1) charges for services and (2) operating grants and contributions.

Charges for services - are revenues from exchanges or exchange like transactions with external parties that purchase, use or directly benefit from the program's goods, services, or privileges. These revenues include fees charged for specific services, licenses and permits, and operating special assessment, and include payments from exchange transactions with other governments.



LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. GOVERNMENT-WIDE ACCOUNTING (continued)

Operating grants and contributions - are resources that are restricted for operating purposes of a program. They include grants and contributions, with restriction that permit the resources to be used for a program's operating capital needs, at the recipient government's discretion. If multipurpose contributions and grants that provide financing for more than one program are specifically identified, they are included as program revenues.

c. FUND ACCOUNTING

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 using the modified accrual method to report revenues and expenditures.

Funds of the District are classified as governmental funds. Governmental funds account for District's general activities, including the collection and disbursement of specific or legally restricted monies. Governmental Funds of the District include:

General Fund - The General fund is the operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Debt Service Fund - Debt service fund is used to account for the accumulation of resources and the payment of general long-term principal, interest and related costs.

d. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

LAFORCHE PARISH FIRE PROTECTION DISTRICT NO. 3

NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurable focus. The governmental funds are accounted for using a current financial resources measurement focus and a modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when they are measurable and available. Measurable means the amount of the transaction can be determined and available means collectible when the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in the governmental fund only if the claims are due and payable.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

Fund Financial Statements (FFS) (continued)

Revenues and deferred revenues - Ad valorem taxes are recorded on the modified accrual basis and, therefore, recorded when they are both measurable and available. The calendar for the 2003 ad valorem tax roll was as follows:

	<u>Service charges and Ad valorem taxes</u>
Levy date	December 31, 2003
Due date	December 31, 2003
Line date	January 1, 2004

State revenue sharing revenues and the 2% fire insurance tax protection rebate are recorded when the District is entitled to the funds.

Expenditures

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

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the District.

Other Financing Sources/Uses

Proceeds from the sale of fixed assets and debt acquired for the construction and purchase of fixed assets (capital project fund) are accounted for as other financing sources and are recognized when received. Fixed assets acquired through capital leases are recorded as expenditures and other financing sources at the time of acquisition.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**e. BUDGET PRACTICES**

The District's procedures in establishing the budgetary data for the financial statements required by the Louisiana Revised Statute 28:1303 are as follows:

- A proposed budget is submitted by the Chief Executive Officer to the Board no later than fifteen days prior to the beginning of each year.
- After completion of all action necessary to finalize and implement the budget, the budget is adopted by the Board and recorded in the minutes of the District. The board, as allowed by state law, does not obtain public participation in the budget process.
- Budget amendments require the approval of the board.
- All budgetary appropriations lapse at the end of each year.
- A budget for the General Fund is adopted on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended from time to time by the Board.

**f. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits that mature within 90 days after year-end and other investments with original maturities of 90 days or less. 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 under the laws of the United States.

Under state law, the Districts may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents.

LAFOURCHE PARISH FIRE PROTECTION (DISTRICT NO. 2)

NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**g. CAPITAL ASSETS**

Capital assets are recorded at historical cost and depreciated over their estimated useful lives.

Estimated useful life is management's estimate of how long the asset is estimated to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Building	40 years
Furniture	5 - 7 years
Equipment	5 - 10 years
Vehicles	5 years

**h. VACATION AND SICK LEAVE**

The District has no full-time employees. There is no accumulated unpaid vacation at December 31, 2003.

The District does not have a sick leave policy.

**NOTE 2 - PROPERTY TAXES**

Property taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission as percentages of actual value as specified by Louisiana law. A revaluation of all property is required to be completed no less than every four years. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for collections during the year ended December 31, 2003 was 5.24 mills on property within Fire Protection District No. 2 for the purpose of fire protection within the District and payment of respective debt.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS

December 31, 2003

NOTE 3 - RECEIVABLES

Receivables as of December 31, 2003 are as follows:

Due from Sheriff (Collections during December 2003 not yet remitted)	\$ 93,475
Ad valorem taxes	18,629
Louisiana State Revenue Sharing	<u>9,755</u>
	<u>\$ 121,859</u>

NOTE 4 - CAPITAL ASSETS

A summary of changes in capital assets and accumulated depreciation for the period are as follows:

	Balance 12/31/02	Additions (Deletions)	Balance 12/31/03
Trucks	\$ 592,407	\$ -	\$ 592,407
Equipment	116,893	6,576	123,271
Building	<u>4,500</u>	<u>-</u>	<u>4,500</u>
	713,800	6,576	720,176
Less: Accumulated Depreciation	(395,858)	(34,890)	(430,748)
Total	<u>\$ 317,941</u>	<u>\$ (28,312)</u>	<u>\$ 289,429</u>

NOTE 5 - COMPENSATION OF BOARD MEMBERS

The District did not pay per diem to any of its Board members during the year ended December 31, 2003.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

**NOTE 6--CONCENTRATION OF CREDIT RISK**

At December 31, 2003, the District has cash (book balances) as follows:

Checking accounts	
Deposits secured by:	
Federal deposit insurance	<u>\$ 26,267</u>

Collateralized deposits - At year-end, there was enough FDIC insurance to secure the book balance and the bank balance. The bank balance indicated above is considered as Category 1 deposits. During the year if the bank balance exceeds the FDIC insurance amount, the District's banking institution will pledge FHLMC securities with a market value in excess of the collateralized deposits needed to secure any remaining balances.

	<u>Carrying Amount</u>	<u>Account Value</u>
Deposits in a pool managed by Louisiana Asset Management Pool	<u>\$ 252,589</u>	<u>\$ 252,589</u>
Total bank deposits and equivalents in financial institutions	<u>\$ 280,856</u>	

## SUPPLEMENTAL INFORMATION



**REQUIRED SUPPLEMENTAL INFORMATION**

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 3

BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND - NON-GAAP BASIS  
 For the Year ended December 31, 2003

	Original Budget	Budget	Actual	Variance - with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes - ad valorem	\$ 105,000	\$ 124,400	\$ 120,400	\$ (4,000)
Intergovernmental - State of Louisiana	9,700	9,700	9,700	0
Revenue sharing	18,800	20,885	20,685	0
Insurance rebates				
Use of money and property - Interest earned	4,800	2,845	2,875	50
Other income		213	213	0
<b>Total revenues</b>	<u>137,800</u>	<u>157,830</u>	<u>153,865</u>	<u>(3,965)</u>
<b>Expenditures:</b>				
General government - Intergovernmental Ad valorem tax deductions	3,000	50	50	0
Public Safety - Contracting services	60,000	47,021	47,041	20
Material and supplies	7,000	3,627	3,667	40
Capital Outlay	18,000	21,793	21,793	0
<b>Total public safety</b>	<u>78,000</u>	<u>73,541</u>	<u>73,501</u>	<u>39</u>
<b>Total expenditures</b>	<u>81,000</u>	<u>73,591</u>	<u>73,621</u>	<u>30</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>56,800</u>	<u>84,239</u>	<u>80,244</u>	<u>(3,995)</u>
<b>Fund balance, beginning</b>	<u>447,008</u>	<u>517,083</u>	<u>517,083</u>	
<b>Fund balance, ending</b>	<u>\$ 503,808</u>	<u>\$ 481,344</u>	<u>\$ 387,327</u>	

See auditor's complete report and accompanying notes.

## OTHER REPORTS

**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES**

To the Board  
Lafayette Parish Fire Protection District No. 2  
Lockport, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide enumerated below, which were agreed to by the management of the Lafayette Parish Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Fire Protection District No. 2's compliance with certain laws and regulations during the year ended December 31, 2003 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$15,000 or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-PS 38:2211-2251 (the public bid law).

No expenditures were made during the year for material and supplies exceeding \$15,000 and no expenditures were made for public works exceeding \$100,000.

**Code of Ethics for Public Officials and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-PS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate family members.

Management was not requested to provide us with the required list due to the fact that there were no employees paid during the year.

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

There were no employees paid during the year.

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

There were no employees paid during the year.

### Budgeting

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

The District's original and amended budget for the year ended December 31, 2003 is on file.

6. Trace the budget adoption and amendments to the minute book.

Management adopted the budget for the year ended December 31, 2003 at the Fire District's (Issue) of Directors meeting held on December 16, 2002. Management adopted an amended budget at its meeting held on November 17, 2003.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceeded budgeted amounts by more than 5%.

Management adopted a budget for the year ended December 31, 2003 and there were no instances where revenues or expenses exceeded the budgeted amounts by more than 5%.

### Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account;

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

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the board.

### Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:13 (the open meetings law).

The District is required to post a notice of each meeting and the accompanying agenda on the door of the office building. We inquired of management and were informed that the required notice is posted.

### Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

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

**Advances and Bonuses**

15. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

The District did not have any employees at any time during the year.

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

This report is intended solely for the use of the management of the Lafourche Parish Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purpose. However, this report is a matter of public record and its distribution is not limited.



March 24, 2004

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

**Louisiana Parish Fire Protection District No. 2**

*December 31, 2008* (Date)

**T.B. Koorn & Co., CPA**  
501 Canal Boulevard  
Tulahoma, LA 70081

In connection with your completion of our financial statements as of December 31, 2008 used by the year-end voters, and as required by Louisiana Revised Statute 28:2212 and the Louisiana Governmental Audit Code, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 31, 2008.

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 28:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1988, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 70:5711-54) or the budget requirements of LSA-RS 28:21.

Yes  No

**Accounting and Reporting**

All non-exempt governmental funds are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:3, 44:21, and 44:38.

Yes  No

EXHIBIT C

We have filed our annual financial statements in accordance with LSA-RS 24:514, 52-483, and/or 28:52, as applicable.

Yes  No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:515.

Yes  No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes  No

Gifts

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 23 of the 1974 Louisiana Constitution, and LSA-RS 50:1418.52-1418.55.

Yes  No

Advances and Expenses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:136, and/or section 70-200.

Yes  No

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

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Paul David Chairman 12/17/13 Date

Agnes M. D'Amico Chairman 12/17/13 Date