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START-GIRARD FIRE PROTECTION DISTRICT  
RICHLAND PARISH POLICE JURY  
Rayville, Louisiana

Component Unit Financial Statements and  
Accountant's Reports  
As of and for the Year Ended  
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 8-28-96

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Start-Girard Fire Protection District  
Richland Parish Police Jury  
Rayville, Louisiana

Component Unit Financial Statements and  
Accountant's Report  
As of and for the Year Ended December 31, 1995  
With Supplemental Information

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KAREN M. HOLLIS

CERTIFIED PUBLIC ACCOUNTANT

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Accountant's Report

BOARD OF COMMISSIONERS  
START-GIRARD FIRE PROTECTION DISTRICT  
RICHLAND PARISH POLICE JURY  
Rayville, Louisiana

I have compiled the accompanying combined financial statements of Start-Girard Fire Protection District, a component unit of the Richland Parish Police Jury, as of and for the year ended December 31, 1995, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Rayville, Louisiana  
June 27, 1996

START-GIRARD FIRE PROTECTION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana  
 ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1995

	<u>ACCOUNT GROUPS</u>			<u>TOTAL (MEMORANDUM ONLY)</u>
	<u>GOVERNMENTAL FUND - GENERAL FUND</u>	<u>GENERAL FIXED ASSETS</u>	<u>GENERAL LONG-TERM DEBT</u>	
<u>ASSETS</u>				
Cash and cash equivalent (note 4)	\$ 26,824	\$	\$	\$ 26,824
Restricted cash (note 9)	25,410			25,410
Receivables-Parcel fees (note 5)	38,800			38,800
Land, buildings, vehicles, equipment (note 6)		794,823		794,823
Amount to be provided for retirement of general long-term debt			146,338	146,338
<b>TOTAL ASSETS</b>	<u>\$ 91,034</u>	<u>\$794,823</u>	<u>\$146,338</u>	<u>\$1,032,195</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities-accounts payable	\$ 736	\$	\$	\$ 736
General obligation bonds			146,338	146,338
Fund Equity:				
Investment in general fixed assets		794,823		794,823
Fund balance-unreserved -undesignated	90,298			90,298
Total Fund Equity	<u>90,298</u>	<u>794,823</u>	<u>146,338</u>	<u>1,031,459</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 91,034</u>	<u>\$794,823</u>	<u>\$146,338</u>	<u>\$1,032,195</u>

See the accountant's report and the accompanying notes.

START-GIRARD FIRE PROTECTION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana  
 GOVERNMENTAL FUND - GENERAL FUND

Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 For the Year Ended December 31, 1995

	December 31, <u>1995</u>
<u>REVENUES</u>	
Parcel Fees	\$ 62,800
Intergovernmental revenues-Richland Parish	
Police Jury - 2 per cent fire rebate	4,321
Interest Income	1,357
Miscellaneous revenues	<u>48</u>
TOTAL REVENUES	<u>68,526</u>
 <u>EXPENDITURES</u>	
Public safety - fire protection:	
Legal and accounting	4,322
Insurance	8,268
Fuel	1,098
Repairs and maintenance	9,668
Utilities	5,786
Supplies	5,158
Training	1,211
Operations	2,010
Capital outlay	11,460
Debt service:	
Principal	6,825
Interest	<u>9,178</u>
TOTAL EXPENDITURES	<u>64,984</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,542
FUND BALANCE AT BEGINNING OF YEAR	63,404
PRIOR PERIOD ADJUSTMENT (Note 2)	<u>23,352</u>
FUND BALANCE AT END OF YEAR	<u>\$ 90,298</u>

See the accountant's report and the accompanying notes.

START-GIRARD FIRE PROTECTION DISTRICT  
 RICHLAND PARISH POLICE JURY  
 Rayville, Louisiana  
 GOVERNMENTAL FUND - GENERAL FUND

Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget (Cash Basis) and Actual  
 For the Year Ended December 31, 1995

	<u>December 31,</u> <u>1995</u>		Variance
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>
<u>REVENUES</u>			
Parcel Fees	\$ 68,200	\$ 61,538	\$ (6,662)
Intergovernmental revenues			
- 2 per cent fire rebate	4,000	4,321	321
Interest Income	-	1,357	1,357
Miscellaneous revenues	<u>-</u>	<u>48</u>	<u>48</u>
TOTAL REVENUES	<u>72,200</u>	<u>67,264</u>	<u>(4,936)</u>
<u>EXPENDITURES</u>			
Public safety - fire protection:			
Legal and accounting	4,000	4,322	(322)
Insurance	8,000	8,395	(395)
Training	3,500	1,211	2,289
Operations	21,700	23,753	(2,053)
Capital outlay	14,000	11,460	2,540
Debt service:			
Principal	7,122	6,825	297
Interest	8,878	9,178	(300)
Reserve Account	<u>5,000</u>	<u>8,000</u>	<u>(3,000)</u>
TOTAL EXPENDITURES	<u>72,200</u>	<u>73,144</u>	<u>(944)</u>
EXCESS (DEFICIENCY) OF			
REVENUES OVER EXPENDITURES	-	(5,880)	(5,880)
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>62,771</u>	<u>62,771</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ 56,891</u>	<u>\$ 56,891</u>

See the accountant's report and the accompanying notes.

START-GIRARD FIRE PROTECTION DISTRICT  
RICHLAND PARISH POLICE JURY  
Rayville, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended December 31, 1995

INTRODUCTION

Start-Girard Fire Protection District was created by resolution of the Richland Parish Police Jury on March 24, 1987, for the purpose of purchasing and maintaining fire equipment and providing fire protection for the people included in the district according to the boundaries set by the Richland Parish Police Jury. The district is governed by a board of commissioners consisting of five members. The commissioners are appointed by the Richland Parish Police Jury for a term of two years. Commissioners receive no compensation for their services. The district has no employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of Start-Girard Fire Protection District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Richland Parish Police Jury is the financial reporting entity for Richland 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 Richland 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.

This criteria includes:

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 Richland Parish Police Jury appoints the governing board and can impose its will on the district, the district was determined to be a component unit of the Richland Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. 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 governmental reporting entity.

C. FUND ACCOUNTING

The district uses a fund (General Fund) and account groups 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 relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental funds. governmental funds account for the district's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the district include:



General Fund--the general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using the flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of the General Fund present increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund used the following practices in recording revenues and expenditures:

REVENUES

Parcel fees are recorded in the year the taxes are assessed. The parcel fees are assessed on a calendar year basis, become due on December 31 of each year, and become delinquent on January 1 of the ensuing year. The taxes are generally collected in December of the current year and January and February of the ensuing year. Delinquent taxes are considered fully collectible and therefore no allowance for uncollectible taxes is provided.

Interest income on time deposits is recorded at the end of each quarter when credited by the bank.

Intergovernmental revenues are recorded when the district is entitled to the funds.

Substantially all other revenues are recorded when they become available to the district.

EXPENDITURES

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

E. BUDGET

Preliminary budgets for the ensuing year are prepared by the secretary/treasurer and presented to the board for review prior to adoption. The budget should be adopted prior to the new year but upon review of the minutes, 1995's budget was adopted in January of 1995.

Neither encumbrance accounting nor formal budget integration (within the accounting records) are employed as management

Start-Girard Fire Protection District  
 Richland Parish Police Jury  
 Rayville, Louisiana  
 Notes to the Financial Statements (continued)

control devices. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended. The board reserves all authority to make changes to the budget.

The budget comparison statements included in the accompanying financial statements reflects the adopted budget including amendments made during the year under audit. The following reconciles the excess (deficiency) of revenues over expenditures for the General Fund as shown on Statement C (Cash Basis) with amounts shown on Statement B (GAAP Basis):

	December 31, <u>1995</u>
Excess (Deficiency) of revenues over expenditures (Cash Basis)	\$ (5,880)
Adjustments:	
Receivables	1,262
Payables	160
Reserve Fund	<u>8,000</u>
Excess (Deficiency) of revenues over expenditures (GAAP Basis)	<u>\$ 3,542</u>

F. ENCUMBRANCES

The district does not use the encumbrance system in its record keeping.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district 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.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time of purchases or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Interest costs incurred during construction are not capitalized. No

Start-Girard Fire Protection District  
Richland Parish Police Jury  
Rayville, Louisiana  
Notes to the Financial Statements (continued)

depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

I. COMPENSATED ABSENCES AND PENSION PLAN

The district does not have any full time employees; therefore, it does not have a formal vacation or sick leave policy and does not contribute to a pension plan.

J. Long-term obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

K. Fund Equity

Reserves-Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balances-Designated fund balances represent tentative plans or future use of financial resources.

L. TOTAL COLUMN ON BALANCE SHEET

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

2. PRIOR PERIOD ADJUSTMENT

The prior period adjustment to the General Fund's fund balance of \$23,352 resulted from the balance of the accounts receivable account not being adjusted to the subsidiary ledger in prior years.

3. PARCEL FEES

The district is authorized to levy and collect a parcel fee not to exceed \$100 annually on each lot or tract upon which is located a residential or commercial structure within the district for maintenance and operation of the district. The fee may be collected at the same time as parish ad valorem taxes and expires in 2014.

4. CASH AND CASH EQUIVALENTS



Start-Girard Fire Protection District  
Richland Parish Police Jury  
Rayville, Louisiana  
Notes to the Financial Statements (continued)

The district has no operating or capital leases for the year ended December 31, 1995.

8. LITIGATION AND CLAIMS

The district is not involved in any litigation or aware of any claims at December 31, 1995.

9. CHANGES IN LONG-TERM DEBT

The following is a summary of long-term obligation transactions for the year ended December 31, 1995:

	<u>General Obligation Bonds</u>
Balance at January 1, 1995	\$ 153,163
Additions	-
Retirements	<u>(6,825)</u>
Balance at December 31, 1995	<u>\$ 146,338</u>

The general obligation bonds consists of bonds payable to Farmer's Home Administration bearing interest at 6.25 percent per annum. The bonds are secured by a pledge of revenues and restrict sale, transfer, lease or encumbrance of the facilities financed by bond proceeds. In addition, the bond resolution restricts additional borrowing and maintenance of sufficient revenue sources to meet debt service, operating and maintenance requirements and to provide adequate reserves. The bond resolution requires the district to have a Reserve Fund in which the district is required to place 5% of the amount of the bond note each year until an amount equal to the highest annual debt service on the bonds is accumulated. At December 31, 1995, the Reserve Fund had a balance of \$25,410.

Start-Girard Fire Protection District  
Richland Parish Police Jury  
Rayville, Louisiana

Schedule of Compensation Paid Board Members  
As of and For the Year Ended December 31, 1995

The following is a list of the Board of Commissioners of the Start-Girard Fire Protection District. The Board receives no compensation for their services.

Ellis Bairnsfather  
Johnny Letlow  
Allen Nettles  
Bentley Curry  
Bobby Adams



KAREN M. HOLLIS

CERTIFIED PUBLIC ACCOUNTANT

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Independent Accountant's Report  
on Applying Agreed-Upon Procedures

To the Board of Commissioners  
Start-Girard Fire Protection District

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Start-Girard Fire Protection District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 1995 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, I 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 \$5,000 or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

One expenditure was made during the year for materials and supplies exceeding \$5,000 and no expenditures were made for public works exceeding \$50,000. I examined documentation which indicated that quotes had been obtained prior to purchasing and the board had accepted the lowest bid in the minutes.

*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-RS 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 families.

Management provided me with the required list including the noted information.

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

The District has no employees.

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.

The District has no employees, therefore none of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

#### *Budgeting*

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

Management provided me with a copy of the original budget and all amendments to the budget during the year.

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

I traced the adoption of the original budget to the minutes of a meeting held on January 19, 1995 which indicated that the budget had been adopted by the commissioners of Start-Girard Fire Protection District. I traced the adoption of the amendment to the budget to the minutes of a meeting held December 21, 1995.

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

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed 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;

I 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; and

All six 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 approval from Secretary/Treasurer and/or the Board through reading of



minutes. The Board approves all disbursements over \$100 unless for regular monthly expenses (telephone, utilities).

*Meetings*

9. Examine evidence indicating that agendas for meetings recorded in the minutes book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Start-Girard Fire Protection District did not post or publish an agenda as required.

*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.

I inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

*Advances and Bonuses*

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

The District has no employees to review records for advances or bonuses.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Start-Girard Fire Protection District 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 purposes. However, this report is a matter of public record and its distribution is not limited.

*Karen M. Hollis*

Rayville, Louisiana  
June 27, 1996



KAREN M. HOLLIS

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June 27, 1996

Board of Commissioners  
Start-Girard Fire Protection District

I have compiled the component unit financial statements of the Start-Girard Fire Protection District, a component unit of the Richland Parish Police Jury, for the year ended December 31, 1995, and have issued my reports on the financial statements and attestation report dated June 27, 1996.

As a result of planning and performing the compilation/attestation, certain matters have come to my attention, that are not reflected in any of the aforementioned reports, which I feel worthy of consideration by management. These matters are presented below:

**Laws and Regulations Compliance**

1. Budget Adoption and Amending Update

During my testing of the budget and the adoption process, I noted that the budget was not adopted until January, 1995. The budget needs to be prepared and adopted prior to the start of a new year. I also noted that the district amended its budget when necessary which is to be commended.

2. Minutes Update

After reviewing the minutes of the District, I noticed that the District has not been publishing the minutes in the official journal of the Parish, nor posting an agenda. I recommend consideration of publishing the monthly meetings and posting an agenda in a public place prior to a meeting to come into compliance with the current laws.

As always, I wish to express my appreciation to you for all the courtesy and assistance I received during this year's compilation/attestation. Your past history of giving serious consideration to my findings and recommendations is a strong indication of your desire to enhance the District's financial management function and achieve your goals toward your stewardship over the District's resources and assets. I hope this year's comments and recommendations will further assist you in these efforts.

Sincerely,

Karen M. Hollis, CPA