

Finding: Payroll records do not indicate that any payments were made to any employee which may constitute bonuses, advance, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying Louisiana Attestation Questionnaire. 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 management and Executive Council of the Caddo-Bossier Office of Emergency Preparedness, 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.



Donald J. Nici, CPA

June 28, 1996

Donald J. Nici

Certified Public Accountant

910 Pierremont Road
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(318)861-8425

To the Executive Council
Caddo-Bossier Office of Emergency Preparedness
Shreveport, Louisiana

We compiled the general purpose financial statements of the Caddo-Bossier Office of Emergency Preparedness as of and for the year ended December 31, 1995 and have issued our report thereon dated June 28, 1996. A compilation is limited to presenting in the form of financial statements information that is the representation of management. We did not audit or review the general purpose financial statements.

Certain matters involving the internal control structure and its operation were considered to be reportable conditions under standards established by the American Institute of Certified Public Accountants in "Independent Auditors Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements performed in accordance with Government Auditing Standards" dated August 31, 1995. Reportable conditions involve matters coming to the auditor's attention relating to significant deficiencies in the design or operation of the internal control structure that, in the auditor's judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

We have reviewed the previously included reportable conditions and consider the following item to be a reportable condition under standards established by the American Institute of Certified Public Accountants.

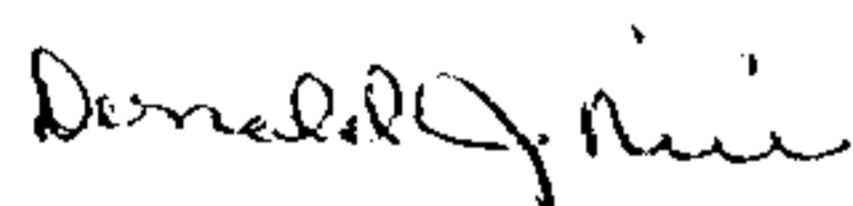
Budgeting

The budgets are not prepared in conformity with monthly financial statement presentation thus making it difficult to assess results functionally. The monthly financial statements do not compare actual results to budget, thus reducing their usefulness and increasing the opportunity to inadvertently overspend in an area. Finally, the budgets are not reviewed or amended as the year progresses. We recommend that the agency have its bookkeeping service maintain the budget as part of its service, so that the monthly statements can be prepared displaying actual versus budget and variances. Additionally, the agency should review its budgets at least quarterly, and amend them as necessary.

A material weakness is a reportable 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 may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

The management of Caddo-Bossier Office of Emergency Preparedness 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 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.

We did not test the operation of the internal control structure policies and procedures in connection with our compilation of the financial statements and, accordingly, we do not express an opinion or offer any other form of assurance on the internal control structure policies and procedures.



Donald J. Nici, CPA

June 28, 1996

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**Caddo-Bossier Office
of Emergency Preparedness**

General Purpose Financial Statements

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 9-4-96

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To the Executive Council
Caddo-Bossier Office of Emergency Preparedness
Shreveport, Louisiana

We have compiled the general purpose financial statements of the Caddo-Bossier Office of Emergency Preparedness as of and for the year ended December 31, 1995 in accordance with Statement 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 representation of management. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Donald J. Nici, CPA

June 28, 1996

Caddo-Bossier Office of Emergency Preparedness

Shreveport, Louisiana

All Fund Types and Account Groups Balance Sheets

December 31, 1995

	General Fund	Property and Equipment Group	Totals (Memo Only)
Assets			
Cash	\$62,924	\$	\$62,924
Investments	48,422		48,422
Receivables:			
Grants	19,324		19,324
Due from Other Agencies	6,050		6,050
Property and Equipment			
Equipment		148,145	148,145
Vehicles		40,278	40,278
Total Assets	<u>\$136,720</u>	<u>\$188,423</u>	<u>\$325,143</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$533	\$	\$533
Accrued Expenses	32,987		32,987
Total Liabilities	<u>33,520</u>		<u>33,520</u>
Restricted Fund Balances			
Operating	103,200		103,200
Property and Equipment		188,423	188,423
Total Fund Balances	<u>103,200</u>	<u>188,423</u>	<u>291,623</u>
Total Liabilities and Fund Balances	<u>\$136,720</u>	<u>\$188,423</u>	<u>\$325,143</u>

See Accountant's Compilation Report and the accompanying notes

Caddo-Bossier Office of Emergency Preparedness

Shreveport, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balances for the Year Ended December 31, 1995

	General Fund (Operating)	Property and Equipment Group	Totals (Memo Only)
<u>Revenues</u>			
Local Appropriation	\$170,618	\$	\$170,618
Federal Grant	69,409		69,409
Community Support	32,700		32,700
Interest	5,359		5,359
Other	1,795	2,693	4,488
Total Revenues	279,881	2,693	282,574
<u>Expenditures</u>			
Personnel	142,807		142,807
Insurance	11,928		11,928
Public Affairs	6,224		6,224
Warning & Communication	51,476		51,476
Travel	8,071		8,071
Employee Retirement	12,869		12,869
Maintenance	6,976		6,976
Supplies	13,771		13,771
Professional Services	2,600		2,600
Rent	14,690		14,690
Capital Outlays	6,622		6,622
Total Expenditures	278,034		278,034
Excess(Deficiency) of Revenue Over Expenditures	\$1,847	\$2,693	\$4,540
<u>Other Financing Sources(Uses)</u>			
Transfers to Property and Equipment Group From General Fund		6,622	6,622
Transfers to General Fund from Property and Equipment Group	2,693	(2,693)	0
Cost of Property Retired		(6,000)	(6,000)
Total Other Financing Sources	2,693	(2,071)	622
<u>Changes in Fund Balances</u>			
Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	4,540	622	5,162
Beginning Fund Balance	98,660	187,801	286,461
Ending Fund Balance	\$103,200	\$188,423	\$291,623

See Accountant's Compilation Report and the accompanying notes.

Caddo-Bossier Office of Emergency Preparedness

Shreveport, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balances Budget(GAAP Basis) and Actual for the Year Ended December 31, 1995

	General Fund				Property and Equipment Account Group				Totals (Memo Only)			
	Budget	Actual	Variance Favorable (Unfavorable)	Actual	Budget	Actual	Variance Favorable (Unfavorable)	Actual	Budget	Actual	Variance Favorable (Unfavorable)	
Revenues												
Local Appropriation	\$163,000	\$170,618	\$7,618	\$7,618	\$163,000	\$170,618	\$7,618	\$170,618	\$163,000	\$170,618	\$7,618	
Federal Grant	133,221	69,409	(63,812)	(63,812)	133,221	69,409	(63,812)	69,409	133,221	69,409	(63,812)	
Community Support		32,700	32,700	32,700	0	32,700	32,700	32,700	0	32,700	32,700	
Interest		5,359	5,359	5,359	0	5,359	5,359	5,359	0	5,359	5,359	
Other		1,795	1,795	1,795	0	1,795	1,795	1,795	0	1,795	1,795	
Total Revenues	296,221	279,881	(16,340)	279,881	296,221	282,574	(13,647)	282,574	296,221	282,574	(13,647)	
Expenditures												
Personnel												
Salaries and Fees	142,228	141,602	626	626	142,228	141,602	626	141,602	142,228	141,602	626	
Insurance	9,925	7,200	2,725	2,725	9,925	7,200	2,725	7,200	9,925	7,200	2,725	
Employee Retirement	12,648	12,869	(221)	(221)	12,648	12,869	(221)	12,869	12,648	12,869	(221)	
Payroll Taxes	2,691	1,205	1,486	1,486	2,691	1,205	1,486	1,205	2,691	1,205	1,486	
Travel and Education												
Travel	4,400	5,253	(853)	(853)	4,400	5,253	(853)	5,253	4,400	5,253	(853)	
Gasoline	4,000	2,818	1,182	1,182	4,000	2,818	1,182	2,818	4,000	2,818	1,182	
Seminars and Workshops	4,000	6,802	(2,802)	(2,802)	4,000	6,802	(2,802)	6,802	4,000	6,802	(2,802)	
Capital Outlays	0	6,622	(6,622)	(6,622)	0	6,622	(6,622)	6,622	0	6,622	(6,622)	
All Other Cost												
Warning & Communication	21,560	37,645	(16,085)	(16,085)	21,560	37,645	(16,085)	37,645	21,560	37,645	(16,085)	
Supplies	7,800	8,228	(428)	(428)	7,800	8,228	(428)	8,228	7,800	8,228	(428)	
Maintenance	11,100	6,976	4,124	4,124	11,100	6,976	4,124	6,976	11,100	6,976	4,124	
Public Affairs	11,000	6,224	4,776	4,776	11,000	6,224	4,776	6,224	11,000	6,224	4,776	
Canteen	1,150	793	357	357	1,150	793	357	793	1,150	793	357	
Professional Services	12,600	7,350	5,250	5,250	12,600	7,350	5,250	7,350	12,600	7,350	5,250	
General Insurance	1,050	4,728	(3,678)	(3,678)	1,050	4,728	(3,678)	4,728	1,050	4,728	(3,678)	
Telephones	5,600	7,029	(1,429)	(1,429)	5,600	7,029	(1,429)	7,029	5,600	7,029	(1,429)	
Rent	14,690	14,690	0	0	14,690	14,690	0	14,690	14,690	14,690	0	
Total Expenditures	266,442	278,034	(11,592)	(11,592)	266,442	278,034	(11,592)	278,034	266,442	278,034	(11,592)	
Excess(Deficiency) of Revenue Over Expenditures	\$29,779	\$1,847	(\$27,932)	(\$27,932)	\$29,779	\$4,540	(\$25,239)	\$4,540	\$29,779	\$4,540	(\$25,239)	
Changes in Fund Balances												
Transfers to General Fund		2,693	(2,693)	(2,693)								
Transfers to Property Group		6,622	(6,622)	(6,622)								
Cost of Property Retired			(6,000)	(6,000)								
Beginning Fund Balance		98,660		187,801		286,461		286,461		286,461		
Ending Fund Balance		\$103,200		\$188,423		\$291,623		\$291,623		\$291,623		

See Accountant's Compilation Report and the accompanying notes.

Caddo-Bossier Office of Emergency Preparedness
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 1995

Note 1 **Summary of Significant Accounting Policies**

Caddo-Bossier Office of Emergency Preparedness is an interjurisdictional quasi-government agency originally established by resolutions and ordinances of the parishes of Bossier and Caddo and the cities of Shreveport and Bossier City in 1953 as the Caddo-Bossier Civil Defense Agency under the authority granted by Chapter 4, Title 29, Section 608B, Louisiana Civil Defense Law, Act 38 of 1950 as amended. In November 1993, their name was changed to Caddo-Bossier Office of Emergency Preparedness to reflect their new mission as established by the Louisiana Emergency Assistance and Disaster Act of 1993 to carry out the emergency preparedness functions of the parishes of Bossier and Caddo and the cities of Shreveport and Bossier City. The agency accomplishes its mission with four full time employees and a number of uncompensated volunteers.

Reporting Entity

The Caddo-Bossier Office of Emergency Preparedness is an independent agency governed by a four-member Board. The Board consists of the mayors of Shreveport and Bossier City and the presidents of the Caddo Parish Commission and the Bossier Parish Police Jury. The Board members are not compensated for their service by the Caddo-Bossier Office of Emergency Preparedness. The agency operates autonomously from these four governmental units however, the agency is economically dependent on these units for annual appropriations. It controls hiring and retention of employees; has authority over its own budgeting; is responsible for its deficits; and collects and disburses its own funds. Therefore, the agency reports as an independent reporting entity.

Basis of Presentation

The financial statements of the agency have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the agency's accounting policies are described below.

Fund Accounting

The accounts of the agency are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or

Notes to Financial Statements continued

Expenditures

Expenditures are generally recorded and reported when the related fund liability is both incurred and measurable. Salaries and related payroll costs are recorded as they are incurred. Utilities, telephone costs, and other expenses are recorded as they become due or are incurred and are measurable. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These transactions are recorded as they occur.

Budgets and Budgetary Accounting

The agency adopts an annual budget for the General Fund, including capital outlays for the Property and Equipment Group. The budget is prepared in accordance with the basis of accounting utilized by the fund for its financial reporting.

Cash, Cash Equivalents and Investments

Cash includes cash on hand and 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 agency 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 agency may invest in United States bonds, treasury notes, or any other obligation backed by the federal government or one of its agencies. 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.*

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is generally used in governmental funds. Based on the size of the accounts and the methods utilized for payments, the agency does not employ encumbrance accounting.

Notes to Financial Statements continued

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources would be reported in the general long-term debt account group.

Total Columns on Statements - Overview

The total columns on the statements are captioned "Memo only" to indicate that they are presented only to facilitate financial analysis. Data in these columns neither presents financial position or results of operation, in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Schedule of Per Diem

The agency does not pay members of the executive council or any other individuals a per diem allowance for attendance at meetings or other official functions. Therefore, a schedule of Per Diem Paid to the Executive Council is not presented.

Note 2 **Cash and Cash Equivalents**

Cash consists principally of interest bearing demand deposits at commercial banks. These balances, as reflected in the bank's records, are insured by the Federal Deposit Insurance Corporation up to \$100,000 on each account. At December 31, 1995, the agency had cash and cash equivalents as follows:

Petty Cash	\$	75
Demand Deposits		14,906
Interest Bearing Demand Deposits		40,570
Money Market Accounts		<u>7,373</u>
Total	\$	<u>62,924</u>

Notes to Financial Statements continued

These deposits are stated at cost which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Note 3 Investments

The agency is invested in guaranteed mortgage obligations of Freddie Mac (FHLMC) and Fannie Mae (FNMA). Investments are carried at amortized cost, unless a material sustained loss in market value occurs. As of December 31, 1995, a material decline in the market value of the investments had occurred. The agency feels that although the decline is material, the decline is not permanent and the investments market value will recover in the future. The agency, at the present time, does not intend to sell these investments until maturity at which time they will receive the full face value of the securities. The amortized cost and market value for each period is as follows:

Cost	<u>\$ 48,422</u>
Market Value	<u>\$ 45,930</u>

Note 4 Pension

The agency covers its full time permanent employees with the City of Shreveport Employees Retirement System. The System is independent of the Caddo-Bossier Office of Emergency Preparedness. The City of Shreveport Employees Retirement System (City Plan) is a single-employer plan which is administered by the City of Shreveport. Enrollment is mandatory for full-time permanent employees.

Pension Benefits

To be eligible for retirement benefits, employees must have 30 years of service regardless of age, be age 55 and have 25 years of service, or be age 60 and have 10 years of service. Employees hired before January 1, 1979, may retire at age 55 with 10 or more years of creditable service. Employees become vested in the system after 15 years of creditable service. Benefit provisions are established by Shreveport City Ordinance.

Benefits available to employees consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus annual pension, which together with the annuity, provides total retirement allowance equal to 3 percent of average compensation times years of creditable service. For service retirement benefit prior to age 65 with less than 20 but more than

Notes to Financial Statements continued

10 years of service, the benefit is reduced by 1/4 percent for each month below age 65. If a member dies after retirement and leaves a surviving spouse to whom he/she had been married for at least one year immediately preceding death, such spouse receives 50 percent of the member's retirement for the rest of his/her life.

Death and Disability Benefits

A disability benefit is available if a member is unable to engage in any substantial, gainful activity by reason of medically determined physical or mental impairment which is likely to be permanent. Disability retirement from the City Plan requires 5 years or more of creditable service in order for an employee to be eligible to receive benefits. *Death benefit requirements* specify that an employee must have been in active service with 10 years or more of creditable service in the City Plan.

Funding Sources

Covered employees are required to contribute 9% of their salary to the City Plan while the employer obligation is established by Shreveport City Ordinance.

Total Payroll and Amount Contributed

Payroll of agency employees covered by the pension plan in 1995 and contributions made by the agency were as follows:

	Payroll	Amount Contributed- Employer	Percent of Total Covered Payroll
City of Shreveport Employees' Retirement System	\$139,794	\$12,869	9.20%
Agency employees not covered by a pension plan	<u>600</u>	<u>0</u>	
	<u>\$140,394</u>	<u>\$12,869</u>	<u>9.17%</u>

Other than the annual contributions, required by the System and recorded as expenditures from the Operating Fund, the agency does not guarantee any of the benefits granted by the retirement system. The agency does not provide any other post retirement benefits.

Additional information of the City Plan may be found in the Required Supplementary Information section of the Comprehensive Annual Financial Report of the City of Shreveport.

Notes to Financial Statements continued

Note 5 Compensated Absences

The agency operates under the Caddo-Bossier Office of Emergency Preparedness Merit Program. Full-time employees may earn from one-hundred thirty to two-hundred twenty-five hours of annual leave and sick leave per year depending on length of service. Upon separation from service, employees may be paid for annual leave up to five hundred hours. Employees are not paid for accrued sick leave upon separation from service, but accrued sick leave may be applied against total employment years at retirement. The amounts of accrued leave included in the agency's balance sheet at December 31, 1995 is \$31,940.

Note 6 Related Party Transactions

Shreveport, Bossier City, Caddo and Bossier Parishes provide appropriations for the agency. An analysis of the funding received under these appropriations follows.

City of Shreveport	\$ 101,400
Bossier City	25,400
Caddo Parish	24,200
Bossier Parish	<u>16,898</u>
 Total	 <u>\$167,898</u>

Additionally in 1995, the City of Bossier City contributed \$2,720 to share the cost of an Emergency Operations Center in the City of Bossier City in addition to their appropriations shown above. During the years ended December 31, 1995, the agency made payments of \$12,869 to the City of Shreveport Employees Retirement System representing the agency's required contributions on its covered employees' salaries.

Note 7 Litigation and Claims

At December 31, 1995, there were no lawsuits or claims pending against the agency.

Note 8 Subsequent Events

No material events affecting this agency have occurred between the close of the fiscal period and the issuance of these financial statements.

Note 9 **Commitments and Contingencies**

The agency participated in the pass-through grants as disclosed in Schedule 1. These grants are subject to program compliance audits by the grantor, and certain audits of prior years have not been conducted. The amount of expenditures, if any, which may be disallowed by the grantor cannot be determined at this time. The agency feels such disallowances, if any, will be immaterial.

In December, 1992, the agency committed to a contract with Civil Defense Community Alert Network for a specialized Community Alert Network (CAN). The contract is a one year commitment with the agency having the option to renew for four additional one year periods. The first year cost approximated \$38,304, with the four subsequent years having annual renewal costs of approximately \$29,977 each. The agency is soliciting support for CAN from other area businesses, and expects the network to be fully paid from area business pledges. The network became operational February 1993.

In December, 1994, the agency relocated their administrative office to 820 Jordan, Suite 507, Street, Shreveport, LA. Previously, the agency had been located in office space provided free of charge by the City of Shreveport. In connection with the move, the agency entered into a three year rental agreement for the sum of \$ 1,253.60 per month beginning January, 1995. Under this rental agreement the agency is committed to the following rents.

1996	15,043
1997	15,043
Thereafter	-0-

This rental agreement is contingent on the Shreveport City Council appropriating sufficient funds to meet the agency's obligations under this contract. If sufficient funds are not appropriated by the City council, then the agency may terminate this agreement without penalty or further obligation.

Additional Information

Donald J. Nici

Certified Public Accountant

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To the Executive Council
Caddo-Bossier Office of Emergency Preparedness
Shreveport, Louisiana

We compiled the general purpose financial statements of the Caddo-Bossier Office of Emergency Preparedness as of and for the year ended December 31, 1995 and have issued our report thereon dated June 28, 1996. A compilation is limited to presenting in the form of financial statements information that is the representation of management. We did not audit or review the general purpose financial statements.

We have performed the procedures enumerated below, which were agreed to by the management of Caddo-Bossier Office of Emergency Preparedness solely to assist you in evaluating management's responses to the accompanying Louisiana Attestation Questionnaire in connection with the compilation of the your financial statements as of and for the year ended December 31, 1996. 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

Procedure: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).

Finding: No expenditure for material and supplies exceeding \$5,000, or public works exceeding \$50,000 were made during the year ended December 31, 1995.

Code of Ethics for Public Officials and Public Employees

Procedure:

Procedures:

- a. 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.
- b. Obtain from management a listing of all employees paid during the period under examination.
- c. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (b) were also included on the listing obtained from management in agreed-upon procedure (a) as immediate family members.

Finding: No employees included on listing obtained from management were also included on the listing of the immediate family members of each board member.

Budgeting

Procedures:

- a. Obtain a copy of the legally adopted budget and all amendments.
- b. Trace the budget adoption and amendments to the minute book.
- c. 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%.

Finding: The original budget adopted by the Executive Council was not advertised for public review prior to adoption and was not formally amended during the year even though certain revenues and expenditures exceeded the budget by more than 5%. Total revenues and expenditures did not exceed the budget by more than 5%.

Response: In response to our findings, management responded that as a

interjurisdictional quasi-government agency they did not feel that they were subject to public review of their budgets in as much as the appropriation from each parish and municipality is already subject to budget review through each individual parish and city budget.

Accounting and Reporting

Procedure: Randomly select 6 disbursements made during the period under examination and (a) trace to supporting documentation as to proper amount and payee, (b) determine if payments were properly coded to the correct fund and general ledger account, and (c) determine whether payments received approval from proper authorities.

Finding: The 6 randomly selected disbursements selected during the year ended December 31, 1995 were traced to supporting documentation and had the proper amount and payee, were properly coded to the correct fund and general ledger account, and all payments were approved for payment.

Meetings

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

Finding: There was no indication that agendas for meetings were posted or advertised to the public.

Response: As a quasi-government agency representing two parishes and two cities, management did not feel that they were required to hold open meetings.

Debt

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

Finding: Deposits for the period do not appear to proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

Procedure: 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.