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JUL 16 1997

LEGISLATIVE AUDITOR

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA**  
**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 1996**

**A COMPONENT UNIT OF THE  
POINTE COUPEE PARISH POLICE JURY**

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 JUL 30 1997

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA**

**GOVERNING BOARD**

**Phil J. Pizzolato, Chairman  
Joseph Drago  
Willie Roubique, Jr.  
Kurt Jarreau  
Justin Cox**

**LIVONIA STATION  
P. O. BOX 475  
LIVONIA, LOUISIANA 70755**

**Fire Chief - Dale Bergeron**

**FORDOCHE STATION  
P. O. BOX 126  
FORDOCHE, LOUISIANA 70732**

**Fire Chief - Clevis Cormier**

**MEETING DATE**

**Third Tuesday of Every Month**

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*George F. Delaune*

CERTIFIED PUBLIC ACCOUNTANT

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GOVERNMENT FINANCE  
OFFICERS ASSOCIATION

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Mr. Phil J. Pizzolato, Chairman  
and Members of the Board of Commissioners  
Fire Protection District No. 4 of the  
Parish of Pointe Coupee, Louisiana

I have audited the accompanying general purpose financial statements of the FIRE PROTECTION DISTRICT NO. 4 OF THE PARISH OF POINTE COUPEE, LOUISIANA (the "District"), a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 1996, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Board of Commissioners. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and with provisions of Louisiana Revised Statute 24:513 and the provisions of the *Louisiana Governmental Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the District as of December 31, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated July 10, 1997, on my consideration of the District's internal control structure and a report dated July 10, 1997, on its compliance with laws and regulations.

*George F. Delaune, CPA*

July 10, 1997

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
COMBINED BALANCE SHEET  
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUPS  
DECEMBER 31, 1996**

	Govern- mental Fund Type	Account Groups		Totals (Memorandum Only)		
		General Fund	General Fixed Assets	General Long Term Debt	1996	1995
<b>ASSETS</b>						
Cash	\$97,421			\$97,421	\$47,241	
Receivables -						
Ad valorem	220,588			220,588	219,956	
State revenue sharing						
Property, plant, and equipment -						
Vehicles		\$594,967		594,967	594,967	
Fire fighting equipment/tools		109,951		109,951	94,693	
Fire hydrants		21,665		21,665	21,665	
Medical equipment		18,408		18,408	12,017	
Radios and paging equipment		50,396		50,396	49,118	
Office furniture and equipment		14,150		14,150	12,956	
Building and improvements		107,642		107,642	107,642	
Amount to be provided from -						
Excess General Fund revenues			\$138,294	138,294	200,627	
<b>TOTAL ASSETS</b>	<b>\$318,009</b>	<b>\$917,179</b>	<b>\$138,294</b>	<b>\$1,373,482</b>	<b>\$1,360,882</b>	
<b>LIABILITIES AND FUND EQUITY</b>						
Liabilities:						
Accounts payable	\$12,162			\$12,162	\$5,207	
Amount due retirement system	8,676			8,676	8,368	
Due to other governmental units -						
Fire District #2 of Pointe Coupee	258			258	214	
Notes payable			\$138,294	138,294	21,096	
Capital leases					179,531	
Total Liabilities	21,096		138,294	159,390	214,416	
Fund Equity:						
Investment in general fixed assets		\$917,179		917,179	893,058	
Fund balances -						
Unreserved - undesignated	296,913			296,913	253,408	
Total Fund Equity	296,913	917,179		1,214,092	1,146,466	
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$318,009</b>	<b>\$917,179</b>	<b>\$138,294</b>	<b>\$1,373,482</b>	<b>\$1,360,882</b>	

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUND TYPE - GENERAL FUND  
BY FIRE STATIONS  
FOR THE YEAR ENDED DECEMBER 31, 1996**

	Fire Stations		Totals	
	Livonia	Fordoche	1996	1995
Revenues:				
Taxes -				
Ad valorem	<u>\$109,971</u>	<u>\$109,971</u>	<u>\$219,942</u>	<u>\$218,994</u>
Intergovernmental revenues -				
State forestry grant	677		677	1,974
State fire insurance rebate	3,808	3,808	7,616	7,766
State revenue sharing	<u>3,780</u>	<u>3,780</u>	<u>7,560</u>	<u>7,566</u>
Total Intergovernmental Revenues	<u>8,265</u>	<u>7,588</u>	<u>15,853</u>	<u>17,306</u>
Miscellaneous revenues -				
Interest earned	<u>2,483</u>	<u>2,633</u>	<u>5,116</u>	<u>3,577</u>
Total Revenues	<u>120,719</u>	<u>120,192</u>	<u>240,911</u>	<u>239,877</u>
Expenditures:				
Current Operations -				
General Government -				
Administrative labor and travel	1,500	1,580	3,080	2,801
Volunteers	1,000	1,000	2,000	
Professional fees	1,300	1,300	2,600	4,726
Tax collector fees	<u>4,432</u>	<u>4,432</u>	<u>8,864</u>	<u>8,368</u>
Total General Government	<u>8,232</u>	<u>8,312</u>	<u>16,544</u>	<u>15,895</u>
Public Safety -				
Vehicle maintenance	6,161	3,452	9,613	7,300
Equipment maintenance	1,114	4,703	5,817	3,587
Radio and pager maintenance	1,388	1,899	3,287	3,412
Building maintenance	2,994	6,655	9,649	4,313
Turnout gear and uniforms	3,802	1,981	5,783	12,302
Medical supplies	2,404	3,598	6,002	4,941
Supplies and small tools	6,430	1,558	7,988	2,905
Computer maintenance				2,668
Supplies, postage and printing	896	800	1,696	1,802
Telephone	1,989	957	2,946	2,790
Utilities	2,276	949	3,225	2,758
Insurance	9,357	10,069	19,426	24,865
Training and fire prevention	4,873	1,167	6,040	11,570
All others	<u>514</u>	<u>535</u>	<u>1,049</u>	<u>2,222</u>
Total Public Safety	<u>44,198</u>	<u>38,323</u>	<u>82,521</u>	<u>87,435</u>
Total Current Operating Expenditures	<u>52,430</u>	<u>46,635</u>	<u>99,065</u>	<u>103,330</u>

	Fire Stations		Totals	
	Livonia	Fordoche	1996	1995
Capital Outlays -				
Building improvements				
Vehicles				128,943
Fire fighting equipment and tools		15,257	15,257	15,682
Fire hydrants				6,065
Medical equipment	3,196	3,196	6,392	
Radios and paging equipment	1,278		1,278	4,238
Furniture, fixtures, & equipment		1,194	1,194	2,275
Total Capital Outlays	<u>4,474</u>	<u>19,647</u>	<u>24,121</u>	<u>157,203</u>
Debt Service -				
Principal retirement	30,702	31,632	62,334	78,115
Interest expense	<u>6,131</u>	<u>5,753</u>	<u>11,884</u>	<u>10,576</u>
Total Debt Service	<u>36,833</u>	<u>37,385</u>	<u>74,218</u>	<u>88,691</u>
Total Expenditures	<u>93,737</u>	<u>103,667</u>	<u>197,404</u>	<u>349,224</u>
Excess of Revenues Over Expenditures	<u>26,982</u>	<u>16,525</u>	<u>43,507</u>	<u>(109,347)</u>
Other Financing Sources:				
Debt financing				<u>120,908</u>
Total Other Financing Sources				<u>120,908</u>
Excess of Revenues and Other Sources Over Expenditures	26,982	16,525	43,507	11,561
Fund Balance - January 1	<u>113,750</u>	<u>139,656</u>	<u>253,406</u>	<u>241,847</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u><b>\$140,732</b></u>	<u><b>\$156,181</b></u>	<u><b>\$296,913</b></u>	<u><b>\$253,408</b></u>

The accompanying notes are an integral part of this statement.



**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL (GAAP BASIS) - GOVERNMENTAL FUND TYPE - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 1996**

	1996		Variance Favorable (Unfavorable)	1995
	Budget	Actual		Actual
Revenues:				
Taxes -				
Ad valorem	\$207,600	\$219,942	\$12,342	\$218,994
Intergovernmental revenues -				
State forestry grant	1,100	677	(423)	1,974
State fire insurance rebate	6,641	7,616	975	7,766
State revenue sharing	7,197	7,560	363	7,566
Total Intergovernmental Revenues	14,938	15,853	915	17,306
Miscellaneous revenues -				
Interest earned	3,398	5,116	1,718	3,577
Total Revenues	225,936	240,911	14,975	239,877
Expenditures:				
Current Operations -				
General Government -				
Administrative labor	2,700	3,080	(380)	2,801
Volunteers		2,000	(2,000)	
Professional fees	2,000	2,600	(600)	4,726
Tax collector fees	6,928	8,864	(1,936)	8,368
Total General Government	11,628	16,544	(4,916)	15,895
Public Safety -				
Vehicle maintenance	8,850	9,613	(763)	7,300
Equipment maintenance	1,300	5,817	(4,517)	3,587
Radio and pager maintenance	2,700	3,287	(587)	3,412
Building maintenance	7,050	9,649	(2,599)	4,313
Turnout gear and uniforms	16,000	5,783	10,217	12,302
Medical supplies	5,000	6,002	(1,002)	4,941
Supplies and small tools		7,988	(7,988)	2,905
Computer supplies				2,668
Supplies, postage and printing	1,250	1,696	(446)	1,802
Telephone	2,650	2,946	(296)	2,790
Utilities	2,500	3,225	(725)	2,758
Insurance	28,410	19,426	8,984	24,865
Training and fire prevention	16,100	6,040	10,060	11,570
All others	3,550	1,049	2,501	2,222
Total Public Safety	95,360	82,521	12,839	87,435
Total Current Operating Expenditures	106,988	99,065	7,923	103,330

	1996			1995
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Capital Outlays -				
Building improvements				
Vehicles				128,943
Fire fighting equipment and tools	39,000	15,257	23,743	15,682
Fire hydrants				6,065
Medical equipment		6,392	(6,392)	
Radios and paging equipment	4,000	1,278	2,722	4,238
Furniture, fixtures, & equipment	1,450	1,194	256	2,275
Total Capital Outlays	<u>44,450</u>	<u>24,121</u>	<u>20,329</u>	<u>157,203</u>
Debt Service -				
Principal retirement	64,500	62,334	2,166	78,115
Interest expense		11,884	(11,884)	10,576
Total Debt Service	<u>64,500</u>	<u>74,218</u>	<u>(9,718)</u>	<u>88,691</u>
Total Expenditures	<u>215,938</u>	<u>197,404</u>	<u>18,534</u>	<u>349,224</u>
Excess of Revenues Over Expenditures	<u>9,998</u>	<u>43,507</u>	<u>33,509</u>	<u>(109,347)</u>
Other Financing Sources:				
Debt financing				120,908
Total Other Financing Sources				<u>120,908</u>
Excess of Revenues and Other Sources Over Expenditures	9,998	43,507	33,509	11,561
Fund Balance - January 1	<u>253,406</u>	<u>253,406</u>		<u>241,847</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u><b>\$263,404</b></u>	<u><b>\$296,913</b></u>	<u><b>\$33,509</b></u>	<u><b>\$253,408</b></u>

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - INTRODUCTION**

The Fire Protection District No. 4 of the Parish of Pointe Coupee, Louisiana (the "District") was created by a resolution of the Pointe Coupee Parish Police Jury in 1981. The District operates under a commission form of government and provides fire protection services to all the territory situated within the limits of Pointe Coupee Election District 10 and 11, as said Election Districts were constituted, be and the same was created in accordance with the authority of LRS 40:1494, and Article VI, Section 19 of the Constitution of the State of Louisiana for the year 1974 and other constitutional and statutory supplemental thereto and Local Services Agreements entered into by this Police Jury, the Mayor and Board of Aldermen of the Town of Livonia, Louisiana, and the Mayor and Board of Aldermen of the Village of Fordoche, Louisiana.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The accompanying general purpose financial statements of the District 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.

*Reporting Entity*

As the governing authority of the parish, for reporting purposes, the Pointe Coupee Parish Police Jury is the financial reporting entity for Pointe Coupee Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and 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 Pointe Coupee 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.

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

2. Organizations for which the police jury does not appoint a voting majority but are 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.

Applying criteria #3, the District was determined to be a component unit of the Police Coupee Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

*Fund Accounting*

The District uses funds 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. On the other hand, 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 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.

*Basis of Accounting*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a 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 these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

*Revenues*

Property tax revenues are recognized when they become available. Available means when due, or past due and receivable and collected generally within 60 days after year end. See Note 4 for the property tax calendar.

Miscellaneous revenue (except investment earnings) are recorded as revenue when cash is received because they generally are not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Where grant revenue is dependent upon expenditures by the District, revenue is recognized when the related expenditures are incurred.

*Expenditures*

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt which are recognized when due in the General Fund.

*Budgets*

Proposed operating budgets for the fiscal years 1991 through 2000 (the term of the approved ad valorem tax millage), prepared on GAAP Basis, are approved by the Board of Commissioners and adopted in accordance with the Local Government Budget Law. The operating budget includes proposed expenditures and the means of financing them.

During the year, monthly budgetary comparison statements are used as management tools to control operations. When necessary the Board adopts budget amendments which are included in District minutes published in the official journal.

The District exercises budgetary control at the line item level. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended.

*Encumbrances*

The District does not follow the encumbrance method of accounting.

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

*Cash and Investments*

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with a bank organized under Louisiana law, or of any other state of the United States, or under the laws of the United States.

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. Investments are stated at cost.

*Bad Debts*

The District uses the direct charge-off method whereby uncollectible amounts due from ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not cause a material departure from GAAP and it approximates the valuation method.

*Inventories*

Inventories for supplies are immaterial and are recorded as expenditures when purchased.

*Fixed Assets*

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

*Compensated Absences*

The District has no employees; therefore, it has no vacation or sick leave policies.

*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.

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

*Fund Equity*

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations.

*Comparative Data*

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type in each of the statements) have not been presented since their inclusion would make the statements unduly complex and difficult to read.

*Total Columns on Combined Statements*

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 3 - CASH**

At December 31, 1996, the status of deposited funds and collateralized balances are as follows:

Balance per bank statements	\$107,792
Secured by Federal Deposit insurance	<u>107,792</u>
Unsecured and Uncollateralized	<u><u>\$0</u></u>

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 deposits are secured from risk by federal deposit insurance.

**NOTE 4 - AD VALOREM TAXES**

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property were to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax District. The Assessor is required to reappraise all property every four years.

The Sheriff of Pointe Coupee Parish, as provided by State Law, is the official tax collector of general property taxes levied by the Parish and in consideration, a deduction of 3.92% is made for pension funds as provided under Louisiana Revised Statutes.

The millage rates are adopted in late October. The taxes are levied and notices are mailed out in mid November of the year. All taxes are due by December 31 of the year and are delinquent on January 1 of the next year, which is also the lien date.

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If taxes are not paid by the due date of December 31, the taxes bear interest at one and one-fourth percent (1.25%) per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Property taxes are recognized as revenue in the year for which they are levied and become due. The majority of the year's taxes are usually collected in November and December of the year. Any amounts not collected at December 31 are shown as accounts receivable.

For the year ended December 31, 1996, taxes of \$221,701.45 were levied on property with assessed valuations totaling \$27,597,811 at the rate of 10.10 mills for the purpose of maintaining and operating the District's fire protection facilities, for purchasing fire trucks and other fire fighting equipment and paying the cost of obtaining water for fire protection purposes, including charges for fire hydrant rentals and service and for the purpose of paying the cost of acquiring, improving, or constructing fire protection facilities of the Fire Protection District, constituting works of public improvement, title to which shall be in the public.

**NOTE 5 - DUE TO OTHER GOVERNMENTAL UNITS**

The balance due to other governmental units is as follows:

Fire District No. 2 of Pointe Coupee Parish -Parishwide emergency telephone service	<u>\$258</u>
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**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 6 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
Vehicles	\$594,967			\$594,967
Fire Fighting equipment/tools	94,693	\$15,258		109,951
Radios and paging equipment	49,118	1,278		50,396
Medical equipment	12,017	6,391		18,408
Office furniture and equipment	12,956	1,194		14,150
Fire hydrants	21,665			21,665
Buildings and improvements	107,642			107,642
Totals	<u>\$893,058</u>	<u>\$24,121</u>		<u>\$917,179</u>

**NOTE 7 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of debt transactions of the District for the year ended December 31, 1996:

	<u>Beginning</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u>
General Notes Payable:				
Regions Bank	\$21,096		(\$21,096)	\$0
Capital Leases Payable:				
Emergency One, Inc.	91,375		(21,084)	70,291
Consolidated Financial Resources	88,156		(20,153)	68,003
	<u>\$200,627</u>		<u>(\$62,333)</u>	<u>\$138,294</u>

The annual requirements to amortize all debt outstanding as of December 31, 1996, including interest payments of \$15,993 are as follows:

Year Ending 12/31	<u>Total Authorizations</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1997	\$43,578	\$7,851	\$51,429
1998	46,051	5,378	51,429
1999	48,665	2,764	51,429
	<u>\$138,294</u>	<u>\$15,993</u>	<u>\$154,287</u>

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

Notes payable are comprised of the following at December 31, 1996:

Capital Lease, Emergency One, Inc., dated August 20, 1994, due in annual payments of \$25,990.59 (including interest) to August 20, 1999, interest at 5.37%.	\$70,291
Capital Lease, Consolidated Financial Resources, Inc., dated March 17, 1995, due in annual payments of \$25,438.28 (including interest) to March 1, 1999, interest at 5.995%.	<u>68,003</u>
	<u>\$138,294</u>

**NOTE 8 - LEASE COMMITMENTS**

On June 12, 1984, entered into a lease with the Police Jury of the Parish of Pointe Coupee, Louisiana. The lease is for a term of thirty (30) years, commencing July 1, 1984, and terminating on July 1, 2014, subject to renewal. The lease covers a lot or parcel of land on which the Fordoche Fire Station has been erected. The annual rental of one dollar (\$1.00) per year is payable in advance on or before July 1 of each year.

At the expiration of the primary term of this lease, the District shall have the option to extend the term of the lease for an additional five (5) years on the same terms and conditions provided that the District shall notify the Parish of its intention to exercise this option at least 120 days prior to the expiration of the primary term of said lease.

**NOTE 9 - PENSION PLAN AND RETIREMENT COMMITMENTS**

The District has no employees; therefore, it has no pension plan or retirement commitments.

**NOTE 10 - CONTINGENT LIABILITIES**

There is no pending litigation against the District.

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 11 - COMPENSATION PAID TO BOARD MEMBERS**

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

Joseph Drago	\$0
Willie Roubique, Jr.	0
Joe Pickett - resigned October 16, 1996	0
Philip J. Pizzolato	0
Glenn Meche - resigned March 19, 1996	0
Larry Bossier - resigned July 16, 1996	0
Justin Cox	0
Wilton Chenevert - resigned June 18, 1996	0
Kurt Jarreau	0
	<hr/>
	<u>\$0</u>

**NOTE 12 - FEDERAL FINANCIAL ASSISTANCE**

There are no active awards for the year ended December 31, 1996.

**SUPPLEMENTAL INFORMATION**

**FIRE PROTECTION DISTRICT NO. 4 OF THE  
PARISH OF POINTE COUPEE, LOUISIANA  
TAXABLE PROPERTY VALUATIONS  
FROM INCEPTION  
(UNAUDITED)**

<u>Year</u>	<u>Mills Levied</u>	<u>Assessed Value</u>	<u>Homestead Exemption</u>	<u>Tax to be Paid by Owner</u>	<u>Tax to be Paid by State</u>	<u>Total Tax</u>
1982	3.00	\$22,435,266	\$3,845,101	\$55,771.94	\$11,537.07	\$67,309.01
1983	3.00	24,265,476	3,965,946	60,900.17	11,899.63	72,799.80
1984	3.00	23,989,111	4,072,574	59,251.00	12,219.51	71,970.51
1985	3.00	26,956,547	4,181,788	68,325.89	12,547.14	80,873.03
1986	3.34	24,942,091	4,374,197	68,696.23	14,609.16	83,305.39
1987	3.34	25,357,580	4,397,197	70,007.03	14,686.06	84,693.09
1988	3.60	24,155,783	4,203,073	71,829.95	15,131.01	86,960.96
1989	3.60	24,489,906	4,307,573	72,656.46	15,507.20	88,163.66
1990	3.60	23,671,216	4,393,027	69,401.60	15,814.88	85,216.48
1991	3.60	24,546,980	4,468,982	72,280.84	16,088.31	88,369.15
1992	10.72	24,416,469	4,618,835	212,230.35	49,514.03	261,744.38
1993	10.31	24,753,536	4,753,918	206,197.12	49,014.87	255,211.99
1994	10.31	24,879,333	4,876,381	206,231.40	50,277.57	256,508.97
1995	10.31	26,360,828	5,026,631	219,956.62	51,826.67	271,783.29
1996	10.10	27,597,811	5,647,378	221,701.45	57,041.10	278,742.55

# George F. Delaune

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OFFICERS ASSOCIATION

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE RELATED MATTERS NOTED IN A GENERAL PURPOSE FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Mr. Phil J. Pizzolato, Chairman  
and the Members of the Board of Commissioners  
Fire Protection District No. 4 of the  
Parish of Pointe Coupee, Louisiana

I have audited the general purpose financial statements of the **FIRE PROTECTION DISTRICT NO. 4 OF THE PARISH OF POINTE COUPEE, LOUISIANA** (the "District"), a component unit of the Pointe Coupee Parish Police Jury, for the year ended December 31, 1996, and have issued my report thereon dated July 10, 1997.

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

The management of the District is responsible for establishing and maintaining an internal control structure. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the District for the year ended December 31, 1996, I obtained an understanding of the internal control structure.

With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design of operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by personnel in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operations that I consider to be material weaknesses as defined above, except that the District's operations are too small to have an adequate internal control structure.

These conditions were considered in determining the nature, timing, and extent of the audit tests to be applied in my audit of the 1996 financial statements, and this report does not affect my report on the financial statements dated July 10, 1997.

This report is intended solely for the use of management, the Police Jury of the Parish of Pointe Coupee, New Roads, Louisiana (oversight entity), and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*George F. Delaune, CPA*

July 10, 1997

## RESOLUTION OF PRIOR YEAR FINDINGS

### Inventory of Fixed Assets Not Properly Maintained

#### Condition

Management has not adopted sufficient policies and procedures requiring the Fire Chiefs to maintain sufficient records to safeguard movable equipment and turnout gear issued to volunteer firemen. Minutes revealed that the Fordoche Fire Chief had difficulty in retrieving items from firemen who had quit the fire department.

#### Corrective Action Taken

The station fire chiefs have purchased software and have recorded all movable equipment and are keeping track of turnout gear issued to firemen on a quarterly basis.



consequently, some data on the hard drive was corrupted. The data was corrected and procedures were instituted to protect the processing of financial data from corruption.

I considered these instances of noncompliance in forming my opinion on whether the District's 1996 general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated July 10, 1997, on those general purpose financial statements.

This report is intended for the information of management, the Police Jury of the Parish of Pointe Coupee, New Roads, Louisiana (oversight entity), and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*George F. Delaune, CPA*

July 10, 1997

## RESOLUTION OF PRIOR YEAR FINDINGS

### Employment of Secretary

#### Condition

The District received an advisory opinion from the Commission on Ethics for Public Employees which stated that the District is prohibited from employing the daughter-in-law of a board member as secretary and accountant. This opinion was issued on November 20, 1995, but the District did not act on the opinion because of a misunderstanding between a member of the District's management and an employee of the ethics board.

#### Corrective Action Taken

After a meeting of the Board on October 15, 1996, the secretary/accountant resigned.

### Related Party Transactions

#### Condition

The District purchased 47% of \$847.44 worth of vehicle parts and supplies from a business owned by a board member.

#### Corrective Action Taken

The Board has issued a directive to abstain from purchasing any materials or supplies from businesses owned or businesses who employ anyone associated with the District.