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FINANCIAL STATEMENTS AND ACCOUNTANTS' COMPILATION REPORT

FIRE PROTECTION GRANT OF
 ST. JOHN VOLUNTEER FIRE DEPARTMENT, INC.
 RECEIVED FROM LABORERS FIRE PROTECTION DISTRICT NO. 6
 Thibodaux, Louisiana
 December 30, 1996

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the clerk of court, city and parish, and to the public officials. This 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.

Expiring Date 12/31/97

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Commissioners of
St. John Volunteer Fire Department, Inc.
Thibodaux, Louisiana

We have compiled the accompanying fire protection grant financial statements of St. John Volunteer Fire Department, Inc. received from Lafourche Fire Protection District No. 8, Thibodaux, Louisiana, as of and for the year ended December 31, 1997, 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 representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

As discussed in Note A, the financial statements present only the fire protection grant from Lafourche Fire Protection District No. 8 and are not intended to present fully the financial position and results of operations of St. John Volunteer Department, Inc., in conformity with generally accepted accounting principles.

Waguespak & Associates (APAC)

Belle Rose, Louisiana

June 18, 1997

**FIRE PROTECTION GRANT OF
ST. JOHN VOLUNTEER FIRE DEPARTMENT, INC.
(RECEIVED FROM LAFAUCHE FIRE PROTECTION DISTRICT NO. 8)
Thibodaux, Louisiana**

**BALANCE SHEET - FIRE PROTECTION GRANT
December 31, 1996
(See Accountant's Completion Report)**

	<u>Special Revenue Fund Fire Protection Grant</u>	<u>General Fund Assets Acquired With Grant Funds</u>	<u>Total (Mimics and on Cash)</u>
ASSETS AND OTHER DEBITS			
Assets:			
Cash and cash equivalents	\$ 21,484	\$ -	\$ 21,484
General Fund Assets-Grant Fire protection equipment	_____	_____ 189,723	_____ 189,723
TOTAL ASSETS AND OTHER DEBITS	\$ 21,484	\$ 189,723	\$ 211,207
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities:			
Accounts Payable	\$ _____	\$ _____	\$ _____
TOTAL LIABILITIES	_____	_____	_____
Equity and Other Credits:			
Investments in general fund assets grant funds	-	189,723	189,723
Fund balance-committed, undesignated	21,484	_____	21,484
TOTAL EQUITY AND OTHER CREDITS	21,484	189,723	211,207
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 21,484	\$ 189,723	\$ 211,207

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION GRANT OF
ST. JOHN VOLUNTARY FIRE DEPARTMENT, INC.
(RECEIVED FROM LAFOURCHE FIRE PROTECTION DISTRICT NO. 4)
Thibodaux, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (CLASS BASIS) AND ACTUAL -
SPECIAL REVENUE FUND
FIRE PROTECTION GRANT**

**For the Year Ended December 31, 1996
(See Accountant's Compilation Report)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental revenues:			
Fire protection grant from Lafourche Fire Protection District No. 4	\$ 41,900	\$ 42,000	\$ -
Fire insurance rebates	14,500	15,650	1,150
Interest earnings	400	500	100
TOTAL REVENUES	<u>56,800</u>	<u>58,150</u>	<u>1,350</u>
EXPENDITURES			
Current operating:			
Public safety	25,000	14,000	11,000
Capital outlay:			
Public safety	3,500	4,285	(885)
Debt Service:			
Principal	30,000	30,000	-
Interest	2,700	2,780	80
TOTAL EXPENDITURES	<u>61,200</u>	<u>72,045</u>	<u>10,845</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,400)</u>	<u>(13,895)</u>	<u>(9,495)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in from related funds	-	10,000	10,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>(4,400)</u>	<u>(3,895)</u>	<u>(505)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>30,500</u>	<u>30,375</u>	<u>(125)</u>
FUND BALANCE AT END OF YEAR	<u>\$ 26,100</u>	<u>\$ 26,480</u>	<u>\$ 380</u>

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION GRANT OF
ST. JOHN VOLUNTEER FIRE DEPARTMENT, INC.
(RECEIVED FROM LAFOURCHE FIRE PROTECTION DISTRICT NO. 4)
Terrebonne, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1994**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fire Protection Grant of St. John Volunteer Fire Department, Inc. received from Lafourche Fire Protection District No. 4 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 fire department's accounting policies are described below.

FINANCIAL REPORTING ENTITY - During 1986, the Lafourche Fire Protection District entered into a grant agreement with St. John Volunteer Fire Department, Inc. The fire protection grant was for the purpose of acquiring, maintaining, and operating buildings, machines, water tanks, water systems, water lines and any other things necessary to provide proper fire prevention and control of the property within the boundaries of the department.

The volunteer fire department is a privately created quasi-public corporation that is subject to the grant provisions of its funding agency. The board members are not appointed by the parish council. The volunteer fire department is not financially dependent on the parish council and the nature and significance of their relationship with the parish council is not such that their inclusion would render the parish council's financial statements incomplete or misleading. Therefore, the volunteer fire department is a separate special purpose government.

The accompanying financial statements present information only on the fire protection grant received by the fire department from the Lafourche Fire Protection District No. 4 and do not present information on the Parish Council, the general government services provided by that governmental unit, and other governmental units that comprise the parish council reporting entity, nor any other non grant funds received by the fire department. St. John Volunteer Fire Department, Inc. has no component units.

FUND ACCOUNTING - The fire department is organized and operated on the basis of a fund and account group. A separate self-balancing set of accounts is maintained that compares revenues, liabilities, fund equity, revenues, and expenditures.

SPECIAL REVENUE FUND - The special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

MEMORANDUM ONLY-TOTAL COLUMN - The total column on the balance sheet is captioned Memorandum Only (footnote) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a statement.

BASES OF ACCOUNTING - Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement form applied. The fire department's records are maintained on a cash basis of accounting. However, the fund, as reported in the accompanying financial statements, has been converted to a modified accrual basis of accounting using the following practices in recording revenues and expenditures:

**FIRE PROTECTION GRANT OF
ST. JOHN VOLUNTARY FIRE DEPARTMENT, INC.
(RECEIVED FROM LAPLACHE FIRE PROTECTION DISTRICT NO. 6)
Thibodaux, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1996**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenues are recognized in the accounting period in which they become measurable or accrual-basis is when they become measurable and available to finance expenditures of the fiscal period.

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

BUDGET PRACTICE - The fire department adopts an annual budget based on anticipated revenues consistent with generally accepted accounting principles. Annual appropriations of funds are not made. Budgetary accounts are not integrated in the formal accounting system. Encumbrance accounting is not followed because of the small number of transactions involved.

CASH AND CASH EQUIVALENTS - For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit. Amounts are classified as cash equivalents if the original maturities are 90 days or less. Under state law, the department may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana and national banks having their principal offices in Louisiana. Further, the department may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

GENERAL FIXED ASSETS AND LONG-TERM LIABILITIES - Fixed assets are accounted for in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve management of assets or operations. It is the policy of the department not to capitalize interest. As the department has no infrastructure assets, no accounting policy for infrastructure assets has been adopted.

PENSION PLAN AND VACATION AND SICK LEAVE - All members of the fire department are volunteers. Therefore, the fire department does not contribute to a pension plan and does not have a formal vacation and leave policy.

NOTE B - CASH AND CASH EQUIVALENTS

At December 31, 1996, the department had cash and cash equivalents totaling (bank balances) \$27,464 as December 31, 1996. Cash and cash equivalents are stated at cost, which approximates market. The following is a summary of cash and cash equivalents (bank balances) at December 31, 1996, with the related federal deposit insurance:

FIRE PROTECTION GRANT OF
 ST. JOHN VOLUNTEER FIRE DEPARTMENT, INC.
 (RECEIVED FROM LAFAYETTE FIRE PROTECTION DISTRICT NO. 4)
 Tibbetts, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
 December 31, 1998

NOTE B - CASH AND CASH EQUIVALENTS - CONTINUED

Demand deposits	\$ 21,738
Federal deposit insurance	\$ 21,738
Total insurance	\$ 21,738

NOTE C - CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in fixed assets.

	BALANCE 12-31-97	ACQUISITIONS	DELETIONS	BALANCE 12-31-98
Fire protection equipment	\$ 189,340	\$ 4,800	\$ -	\$ 194,140

NOTE D - NOTE PAYABLE

The following is a summary of the changes in the Note Payable as follows for the year ended December 31, 1998:

Note Payable at January 1, 1998	\$50,000
Additions	-
Deletions	\$50,000
Note Payable at December 31, 1998	\$ -

NOTE E - LITIGATION AND CLAIMS

There are no claims or litigation pending against the fire department at December 31, 1998 according to management of the fire department.

REPORT AND ACCOMPANYING QUESTIONNAIRE REQUIRED BY
THE LEGISLATIVE AUDITOR, STATE OF LOUISIANA

WAGUESPAK & ASSOCIATES

(a Professional Accounting Corporation)

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of
St. John Voluntary Fire Department, Inc.
Thibodaux, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and requested below, which were agreed to by the management of St. John Voluntary Fire Department, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about St. John Voluntary Fire Department Inc.'s compliance with certain laws and regulations during the period ended December 31, 1995 included in the accompanying Louisiana Antitrust Compliance. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of the Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below in 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 work exceeding \$50,000, and determine whether such purchases were made in accordance with LSA 45:382(1)-2(2) (the public bid law).

No expenditures were made during the year for material and supplies exceeding \$5,000 or for public work exceeding \$50,000.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:110-1134 (the state of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the needed information.

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

All members and commissioners of the Fire Department are volunteers. Therefore, the Fire Department had no employees during the period under examination.

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

As indicated in procedure (3), there were no employees during the period under examination. Thus, this procedure would not be applicable.

BUDGETING

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

Management provided us with a copy of the original budget and all amended budgets for the year.

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

We traced the adoption of the original budget to the minutes which indicated the budget had been adopted by the Commissioners of the St. John Volunteer Fire Department, Inc. The amendments were made in the budget during the year.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures did not exceed budgeted amounts by more than 5%.

ACCOUNTING AND REPORTING

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

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

We examined supporting documentation for each of the six selected disbursements and found that payments were for the proper amount and made in the correct month.

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

The six disbursements 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 the treasurer. In addition, the treasurer's report was traced to the fire department minutes where the report was approved by the commissioners.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 411 through 411:2 (the open meetings law).

The St. John Volunteer Fire Department, Inc. posts a notice and accompanying agenda of each meeting on the station door. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notice and agenda.

MURT

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 instruments.

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

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, advances, or gifts.

The fire departments did not employ any employees for the year and a reading of the minutes of the fire departments did not indicate any such payments made to the volunteer members.

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

This report is intended solely for the use of the management of St. John Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and which responsibility for the sufficiency of the procedures for their purpose. However, this report is a matter of public record and its distribution is not limited.

Wagnerbach & Associates (APAC)

Belle Meade, Louisiana
June 18, 1991