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State Auditor,  
Baton Rouge, La.  
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FORM 1-1988

**FIRE DISTRICT NO. 6  
OF CADDO PARISH, LOUISIANA  
GENERAL PURPOSE FINANCIAL REPORT STATEMENTS  
DECEMBER 31, 1986**

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: 3.0.88

**FIRE DISTRICT NO. 6 OF CADDO PARISH, LOUISIANA  
DECEMBER 31, 1996**

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**AGEE & AGEE, P.C.**

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## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Board of Commissioners  
Fire District No. 5 of Caddo Parish, Louisiana  
Shreveport, Louisiana

We have audited the accompanying component unit financial statements of Fire District No. 5 of Caddo Parish, Louisiana, a component unit of Parish of Caddo, as of and for the year ended December 31, 1986. These financial statements are the responsibility of the management of Fire District No. 5 of Caddo Parish, Louisiana. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the Governmental 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 component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of Fire District No. 5 of Caddo Parish, Louisiana, as of December 31, 1986, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

Agee & Agee, P.C.  
Shreveport, Louisiana

April 15, 1987

FIRE DISTRICT NUMBER 6 OF CALOOS PAISH, LOUISIANA  
 COMBINED BALANCE SHEET-ALL FUND TYPES AND ACCOUNT GROUPS  
 December 31, 1996

EXHIBIT A

<u>ASSETS</u>	<u>GENERAL FUND</u>	<u>GENERAL FUND ASSETS</u>	<u>(MEMORANDUM ONLY)</u> <u>YEAR ENDED DECEMBER 31</u>	
			<u>1996</u>	<u>1995</u>
CASH AND CASH EQUIVALENTS (NOTES 1 & 3)	563,812		563,812	543,965
DEPOSIT - WORKERS COMPENSATION	2,500		2,500	6,030
RECEIVABLE FROM LITIGATION ( NOTE 10)				6,098
TARES AND FEES RECEIVABLE NET OF ALLOWANCES FOR UNCOLLECTIBLES (NOTES 1 & 4 )	260,948		260,948	224,305
GRN FROM OTHER GOVERNMENTAL UNITS (NOTES 1 & 5)	9,023		9,023	7,842
LAND AND BUILDINGS (NOTE 6)		518,718	240,718	200,193
EQUIPMENT (NOTE 6)		414,384	414,384	428,794
<b>TOTAL ASSETS</b>	<b>1,346,263</b>	<b>932,802</b>	<b>1,291,383</b>	<b>1,445,737</b>
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES:				
LITIGATION SETTLEMENT PAYABLE	514,138		514,138	
ACCOUNTS PAYABLE	1,768		1,768	52,208
SALARIES PAYABLE	3,760		3,760	12,276
BONDS PAYABLE (NOTE 6)				
<b>TOTAL LIABILITIES</b>	<b>519,666</b>	<b>0</b>	<b>519,666</b>	<b>514,442</b>
FUND EQUITY:				
INVESTMENT IN GENERAL FUND ASSETS		932,802	665,112	662,697
FUND BALANCES:				
RESERVED FOR OPERATIONS	258,245		258,245	
UNDESIGNATED	558,368		558,368	1278,497
<b>TOTAL FUND BALANCES</b>	<b>816,613</b>		<b>816,613</b>	<b>1278,497</b>
<b>TOTAL FUND EQUITY</b>	<b>816,613</b>	<b>932,802</b>	<b>871,732</b>	<b>1,931,794</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>1,346,263</b>	<b>932,802</b>	<b>1,291,383</b>	<b>1,445,737</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

FIRE DISTRICT NUMBER 4 OF CALDO PARISH, LOUISIANA      EXHIBIT B  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
 YEAR ENDED DECEMBER 31, 1996

REVENUES:	GENERAL FUND	
	1996	1995
TRAILS AND FEES, (NOTE 2)	\$248,144	\$248,810
INTERGOVERNMENTAL:		
STATE REVENUE SHARING	9,023	11,603
TRANSFER FROM GENERAL FUND		3,200
FIRE INSURANCE TAX	10,378	10,588
INTEREST INCOME	4,000	5,394
REVENUES FROM LITIGATION (NOTE 10)		6,889
MEMORIAL - JENNIFER JACKSON		349
MISCELLANEOUS REVENUES	500	5
<b>TOTAL REVENUES</b>	<b>\$286,137</b>	<b>\$285,830</b>
EXPENDITURES:		
SALARIES	\$110,071	\$147,050
PROPERTY TAXES	3,337	3,460
FIREFIGHTERS RETIREMENT	6,000	11,709
UNIFORMS	3,478	1,600
INSURANCE OTHER	7,233	19,153
HEALTH INSURANCE	6,000	10,800
MEDICAL SUPPLIES	3,317	1,876
WORKING COMPENSATION	18,581	26,308
UTILITIES	9,023	10,131
OFFICE SUPPLIES & EXPENSE	3,448	3,528
PROFESSIONAL FEES	11,171	12,650
TRUCK MAINTENANCE	5,493	7,871
GRS, OIL, AND FUEL	3,382	3,896
ELECTION COST	948	13,843
MEDICAL COURSES AND TRAINING	2,180	1,870
REPAIRS AND MAINTENANCE-OTHER	10,028	9,882
PARISH PERSONNEL COLLECTION EXPENSE	11,515	13,898
BAD DEBT EXPENSE	19,384	1,800
PRIMEENT TO DEBT SERVICE FUND		3,878
AMORTIZATION OF BOND COST		468
CAPITAL OUTLAY	2,525	763
DEBT SERVICE - BOND PRINCIPAL PAID		80,800
INTEREST PAID		3,800
<b>TOTAL EXPENDITURES</b>	<b>\$247,355</b>	<b>\$285,376</b>
EXCESS OF EXPENDITURES OVER REVENUES OVER FINANCING SOURCES:	40,742	(100,346)
SALE OF EQUIPMENT	0	0
EXCESS OF EXPENDITURES OVER REVENUES AND OTHER SOURCES	\$40,742	\$(100,346)
FUND BALANCES-BEGINNING	267,080	328,887
FUND BALANCES-ENDING	<b>\$216,338</b>	<b>\$228,541</b>

THE ACCOMPANY NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

FIRE DISTRICT NUMBER 6 OF CADDO PARISH, LOUISIANA      EXHIBIT C  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-  
 -BUDGET (NON-GAAP BASIS) AND ACTUAL GENERAL FUND  
 YEAR ENDED DECEMBER 31, 1995

	GENERAL FUND		VARIANCE (FAVORABLE (UNFAVORABLE))
	BUDGET	ACTUAL	
<b>REVENUES:</b>			
TAXES (NOTE 2)	\$250,100	\$251,513	(\$10,000)
REVENUE FROM LITIGATION	0,000	50,000	
STATE REVENUE SHARING	13,000	0,252	(8,740)
FIRE INSURANCE TAX	10,000	10,370	(130)
INTEREST INCOME	2,000	4,007	2,707
MISCELLANEOUS REVENUES	175	305	100
<b>TOTAL REVENUES</b>	<b>\$275,275</b>	<b>\$276,447</b>	<b>(\$10,000)</b>
<b>EXPENDITURES:</b>			
<b>PUBLIC SAFETY-FIRE PROTECTION</b>			
SALARIES	\$100,000	\$103,442	(34,442)
PROPERTY TAXES	2,300	2,277	(207)
FIRE FIGHTER RETIREMENT	0,000	0,000	
INSURANCE/ OTHER	14,750	7,737	7,513
UNIFORMS	2,500	3,479	
MEDICAL SUPPLIES	3,500	3,317	100
HEALTH INSURANCE	12,500	0,000	
UTILITIES	10,300	9,023	437
WORKERS COMPENSATION INSURANCE	06,000	10,500	7,437
PROFESSIONAL FEES	14,000	11,007	2,913
TRUCK MAINTENANCE	15,000	9,427	9,073
GRS, OIL AND FUEL	3,500	3,300	100
OFFICE SUPPLIES & EXPENSE	3,000	3,493	307
ELECTION COST	0	900	(900)
TRAINING	5,000	2,007	2,000
REPAIRS AND MAINTENANCE	13,300	10,004	3,276
PARISH PENSION AND COLLECTION FE	10,137	11,510	(1,370)
BAD DEBT EXPENSE	0	0	
CAPITAL OUTLAY	15,000	2,500	10,430
<b>TOTAL EXPENDITURES</b>	<b>\$264,507</b>	<b>\$275,507</b>	<b>\$40,000</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$10,768</b>	<b>\$10,937</b>	<b>(\$1,029)</b>
<b>OTHER FINANCING SOURCES:</b>			
SALE OF EQUIPMENT	0	0	0
<b>EXCESS OF EXPENDITURES OVER REVENUES AND OTHER SOURCES</b>	<b>\$10,968</b>	<b>\$10,937</b>	<b>(\$2,509)</b>
<b>FUND BALANCES-DECEMBER</b>	<b>\$320,034</b>	<b>\$320,034</b>	
<b>FUND BALANCES-ENDING</b>	<b>\$345,900</b>	<b>\$342,321</b>	<b>(\$2,509)</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE STATEMENTS

# FIRE DISTRICT No. 6 OF CADDO PARISH, LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

### INTRODUCTION

Fire District No. 6 of Caddo Parish, Louisiana (the "District") was created by Resolution of the Caddo Parish Commission. The governing body of the District consists of a five member Board of Commissioners, appointed by the Caddo Parish Commission and is a component the Parish of Caddo. Members serve two year terms and do not receive compensation for their services. The District has five (5) full-time, four (4) part-time employees and a volunteer organization.

The District provides fire protection, emergency medical and hazardous material services for the people of the District. The twenty-four (24) hour manned stations are equipped with a Class A pumper, Class B pumper, emergency medical service truck and other miscellaneous vital equipment.

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Caddo Parish Fire District No. 6 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 Caddo Commission is the financial reporting entity for Caddo Parish. The financial reporting entity consists of (a) the primary government (Caddo Commission), (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 Caddo Commission 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. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Commission 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 Commission.
2. Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Commission.

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 Caddo Parish Commission appoints the organization's governing body, the District was determined to be a component unit of the Caddo Parish Commission, 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 Parish Commission, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

### C. 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 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:

1. **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.
2. **Debt Service Fund** — accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group. This fund was closed in 1995 when all bonds were retired.
3. **Capital Projects Fund** — is used to account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by another fund. This fund was closed in 1995 when all bonds were retired and remaining bond amortization expensed.

#### General Fixed Assets and General Long-Term Debt

##### General Fixed Assets Account Group

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes.

##### General Long-Term Debt Account Group

The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from governmental fund types. This group was closed in 1995 when all bonds were retired.



#### 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, results of operations or cash flows 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.

#### D. 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:

##### Revenue Recognition:

All ad valorem taxes and structure fees are assessed as an enforceable lien on property as of January 1. Taxes and fees are levied by the District in September or October, are actually billed to the taxpayers in November and are actually due and payable on or before January 1 of the following year. The District's ad valorem tax and structure fee revenues are accrued and recognized when billed. In addition, the Louisiana State Revenue Sharing is accrued.

##### Other Revenue:

Other revenues are not susceptible to accrual because generally they are not measurable until receive in cash.

##### Expenditures:

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund. The debt service fund and the capital fund were closed in 1995 when the bonds were paid off.

##### Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources.

#### E. BUDGETS (Cash Basis)

The budget for the General Fund is proposed and formally adopted by the Commissioners in the last quarter of the fiscal year following at least one budget planning session open to the public. The budget is prepared on the cash basis of accounting. Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require approval of the Commissioners. At year end, all appropriations lapse.

The budget comparison statement included in the accompanying financial statements includes the original adopted budget (cash basis) and all subsequent amendments, if any. The following reconciles the excess of revenues over expenditures for the General Fund as shown in the combined statement of revenues, expenditures and changes in fund balances — all governmental fund types to the statement of revenues, expenditures and changes in fund balances — budget (cash basis) and actual.

Excess of Revenues over Expenditures — GAAP Basis	\$ 48,742
Adjustments:	
Revenue Accounts — Beginning	248,810
Expenditure Accounts — Beginning	+54,481
Revenue Accounts — Ending	-289,969
Expenditure Accounts — Ending	<u>2,195</u>
Excess of Revenues over Expenditures — Budgetary Basis	\$ 13,332

#### F. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. The District considers all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents.

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. Investments are stated at cost.

#### G. INVENTORIES

Inventories consist of expendable supplies held for consumption. Expenditures are recognized when the items are purchased. Inventories at year end are equally offset by fund balance reserves.

#### H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during a construction is immaterial and is not capitalized. No 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

After one year of service, firemen earn 16 to 28 days of annual leave each year, depending on their length of service. Annual leave must be taken in the year earned. Unused annual leave cannot be accumulated.

Upon termination, employees are paid for any earned but unused annual leave.

Each full-time employee is entitled to full pay during sickness or culpable indiscretion, for a period of not less than 52 weeks, during any calendar year.

At December 31, 1996, employee leave benefits requiring recognition in accordance with GASB Codification Section 605 were determined to be immaterial and not included within accompanying financial statements. The cost of leave privileges, computed in accordance with the above codification, is recognized as a current-year expenditure within the General Fund when leave is actually taken.

## J. BAD DEBTS

Uncollectible amounts due for ad valorem taxes and structure fees are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the estimated uncollectible amounts.

## K. FUND EQUITY

### Reserves

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

Designated fund balances represent tentative plans for future use of financial resources.

## L. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns are not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

## NOTE 2. AD VALOREM TAXES AND STRUCTURE FEES

The following is a summary of authorized and levied ad valorem taxes and structure fees:

	1996 Millage & Fees	
	Authorized	Levied
Maintenance and Operation Tax	10.00	9.08
Structure Fees	\$75.00	\$75.00

The differences between authorized and levied millages are the result of reassessment of the taxable property required by Article 7 Section 23 of the Louisiana Constitution of 1874.

**NOTE 3. CASH AND CASH EQUIVALENTS**

At December 31, 1995, the District has cash and cash equivalents totaling \$63,872 as follows:

Demand Deposits	
Non-Interest Bearing	\$ 1,968
Interest Bearing	\$2,443
<b>Total</b>	<b>\$ 63,872</b>

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.

**NOTE 4. RECEIVABLES**

Total taxes and fees levied were \$268,144. Taxes and fees receivable at December 31, 1995, consisted of the following:

Taxes Receivable	Total	General Fund	
		Millage	Structure Fee
Current Roll	\$268,144	\$ 84,704	\$183,350
Less: Parish Pension Fund Cost and Collection Fees	18,085	2,484	13,601
Sub-Total	250,059	82,220	169,749
Less Allowance for Uncollectible Taxes	5,196	1,890	3,580
<b>Net Taxes Receivable</b>	<b>\$244,863</b>	<b>\$ 80,330</b>	<b>\$166,249</b>

The General Fund Budgeted Expenditures of \$269,249 have been designated for the subsequent year's expenditures. There are approximately \$27,863 of delinquent Structure Fees as of December 31, 1995.

The delinquent Structure Fees for 1995 (\$27,863) were not included in the annual tax sale and remain uncollected. The Board of Commissioners for Caddo Parish Fire District No. 8 and the Sheriff's department received, that the Sheriff of Caddo Parish, Louisiana, be and he hereby is requested to take all legal means at his disposal to collect all unpaid Structure Fees levied by the District, exactly as with other taxes levied by the District for debt service and operations and maintenance, whether or not the property is presently owned by the same person who owned the property at the time the Structure Fee was levied, and remit the amounts collected promptly to the District.

**NOTE 5. DUE FROM OTHER GOVERNMENTAL UNITS**

Amounts due from other governmental units (excluding the ad valorem taxes which are collected by the Sheriff and remitted to the fire district) consists of the following:

State Revenue Sharing, and three payments for 1995 \$ 9,021

**NOTE 6. CHANGES IN GENERAL FIXED ASSETS**

A summary of the changes in the General Fixed Assets Account Group is as follows:

	Balance December 31, 1995	Additions	Balance December 31, 1996
Equipment	\$ 414,364	\$ 2,525	\$ 416,889
Building and Land	238,183		238,183
<b>Totals</b>	<b>\$ 652,547</b>	<b>\$ 2,525</b>	<b>\$ 655,112</b>

**NOTE 7. LOUISIANA FIREFIGHTERS RETIREMENT SYSTEM PENSION NOTE**

*Plan Description.* Substantially all employees of Fire District No. 6 of Caddo Parish, Louisiana are members of the Louisiana Firefighters Retirement System (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Membership in the Louisiana Firefighters Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection District that did not exist on or before January 1, 1980, exempting itself from participation in the system. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service, or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third per cent of their final-average salary for each year of creditable service, not to exceed 100 per cent of their final-average salary. Final average salary is the employee's average salary over the 30 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (504) 925-4000.

*Funding Policy.* Plan members are required by state statute to contribute 5.0 percent of their annual covered salary and the Fire Protection District, No. 6 of Caddo Parish is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Fire Protection District No. 6 of

Caddo Parish are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Fire Protection District No. 6 of Caddo Parish's contributions to the System for the years ending December 31, 1990, 1991, 1992, were \$8,000, \$7,851, and \$8,705, respectively, equal to the required contributions for each year.

#### **NOTE 8. LITIGATION AND CLAIMS**

- A. The fire district has filed a lawsuit against the assessor for Caddo Parish to restore lost revenues for the years 1991, 1992 and 1993 regarding property that was taken off the district's tax roll due to annexation by the City of Shreveport. The fire district has prevailed and \$0,809 was received in 1995.
- B. The Second Circuit Court of Appeals rendered a final judgement against the District in a Civil Service action in the amount of \$0.315. This judgement was rendered on April 5, 1996. In 1995, \$3,345 was accrued without interest. On February 29, 1997, a settlement was reached of \$14,130.02. An additional \$10,815.02 has been accrued as of December 31, 1996, and charged to prior period fund balance.

**AGEE & AGEE, P.C.**

Qualified Public Accountants  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE REQUIRED BY  
GOVERNMENT ACCOUNTING STANDARDS**

Board of Commissioners  
Fire District No. 6 of Caddo Parish, Louisiana  
Shreveport, Louisiana

We have audited the financial statements of Fire District No. 6 of Caddo Parish, Louisiana, a component unit of Parish of Caddo, as of and for the year ended December 31, 1995, and have issued our report thereon dated April 15, 1997.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Fire District No. 6 of Caddo Parish, Louisiana is the responsibility of the management of Fire District No. 6 of Caddo Parish, Louisiana. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicate that, with respect to the items tested, Fire District No. 6 of Caddo Parish, Louisiana, complied, in all material respects, with the provisions referred to in the preceding paragraph.

With respect to items not tested, nothing came to our attention that caused us to believe that the District had not complied, in all material respects, with those provisions.

This report is intended for the information of management and the Board of Commissioners. This restriction is not intended to limit distribution of this report, which, is a matter of public record.

Agee & Agee, P.C.  
Shreveport, Louisiana



April 15, 1997

**ADDE & ADDE, P.C.**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE  
REQUIRED BY GOVERNMENT AGENCIES STANDARDS**

Board of Commissioners  
Fire District No. 6 of Caddo Parish, Louisiana  
Shreveport, Louisiana

We have audited the financial statements of Fire District No. 6 of Caddo Parish, Louisiana, a component unit of Parish of Caddo, as of the year ended December 31, 1995, and have issued our report thereon dated April 15, 1997.

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

The management of Fire District No. 6 of Caddo Parish, Louisiana 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 so that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of Fire District No. 6 of Caddo Parish, Louisiana, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements, and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.