

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS
December 31, 1998

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

f. Bad Debts:

The financial statements for the District contain no allowance for bad debts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts as the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the General Fund.

g. Vacation and Sick Leave:

The District has no full-time employees. There is no accumulated unpaid vacation at December 31, 1998.

h. Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledger, is not utilized by the District.

i. Total Column on Combined Statements - Overview:

The total column on the combined statements - overview is captioned memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2: CASH AND CERTIFICATE OF DEPOSIT

State laws authorize all political subdivisions to invest in the following:

Direct U. S. Treasury obligations.

Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the U. S.

Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by U. S. governmental instrumentalities, which are federally sponsored.

Direct security repurchase agreements of any federal book entry only securities enumerated in above paragraphs.

Time certificates of deposit of state banks organized under the laws of Louisiana, or national

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS
December 31, 1998

NOTE 2 - CASH AND CERTIFICATE OF DEPOSIT - Continued

banks having their principal offices in the state of Louisiana.

Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U. S. government or its agencies.

State law also requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC/SLIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the state of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security need not be held by the political subdivision or with an affiliated bank or trust company for the accounts of the political subdivision.

The District's cash at December 31, 1998, consists of the following:

Cash	
Now accounts	\$ 6,791
Money market accounts	<u>54,444</u>
	<u>\$ 61,235</u>
Certificate of Deposit	<u>\$ 65,808</u>

The District invested in interest earning cash accounts during the year. At December 31, 1998, the District's cash accounts were not in excess of the FDIC/SLIC insurance.

NOTE 3 - PROPERTY TAXES

Property taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the last of January 1, 1998. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 1998 was \$5.24 per \$1,000 of assessed valuation of property of maintaining and operating the facilities and programs within the District.

LAFOLLETTE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS

December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

c. Basis of Accounting - Continued

Tax revenues are recognized when they become measurable and available as net current assets. All valuations taxes and the related state revenue sharing (intergovernmental revenues) are considered "measurable" at the time of levy. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

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

d. General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, which is in governmental funds. The account group is not a fund. It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, bridges, culverts and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized by the District. 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 valued at their estimated fair value on the date donated.

e. Operating Budgetary Data

As required by the Louisiana Revised Statutes 39:1305, the Board of Commissioners (the Board) adopted a budget for the District's General fund in 1999. The Board, as allowed by the state law, does not obtain public participation in the budget process. Any amendments involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The General fund budget is adopted on a basis materially consistent with generally accepted accounting principles.

LAFORCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS

December 31, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Lafourche Parish Fire Protection District No. 2 (the District) conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies:

a. Reporting Entity:

The District is a component unit of the Lafourche Parish Council.

The District has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

b. Fund Accounting:

The government 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities are accounted for through Governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental fund of the District:

General Fund - The General fund is the general operating fund of the district. It is used to account for all financial resources except those that are required to be accounted for in another fund.

c. Basis of Accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental funds are accounted for using the modified accrual basis of accounting.

Ann T. Hebert

Certified Public Accountant
5011 Houffland Road
Thibodaux, Louisiana

(504) 488-8084

March 16, 1987

INDEPENDENT ACCOUNTANTS' REPORT

I have examined the Board's assertion, included in its representation letter dated March 17, 1986, that Lafourche Parish Fire Protection District No. 2 complied with the following laws and regulations:

Public Bid Law
Code of Ethics for Public Officials and Public Employees
Budgeting
Accounting and Reporting
Meetings
Debt
Advances and Donations

during the year ended December 31, 1986. As discussed in that representation letter, the Board is responsible for Lafourche Parish Fire Protection District No. 2's compliance with these requirements. My responsibility is to express an opinion on the Board's assertion about the District's compliance based on my examination.

My examination was made in accordance with standards established by the American Institute of Certified Public Accountants and accordingly included examining, on a test basis, evidence about Lafourche Parish Fire Protection District No. 2's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my examination provides a reasonable basis for my opinion. My examination does not provide a legal determination on Lafourche Parish Fire Protection District No. 2's compliance with specified requirements.

In my opinion, the Board's assertion that Lafourche Parish Fire Protection District No. 2 complied with the aforementioned requirements for the year ended December 31, 1986 is fairly stated, in all material respects.

This report is intended for the information of the Board of the Lafourche Parish Fire Protection District No. 2 and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

Respectfully submitted,

Ann T. Hebert

Ann T. Hebert
Certified Public Accountant

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

NOTES TO FINANCIAL STATEMENTS
December 31, 1996

NOTE 4 - DMB FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1996 consisted of the following:

State of Louisiana State revenue sharing	\$	6,476
Lafourche Parish Tax Collector - December, 1996 collections remitted to the District in January, 1997		<u>74,823</u>
Total	\$	<u>81,309</u>

NOTE 5 - GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 3, 1996	Additions	Deletions	Balance December 31, 1996
Buildings	\$ 6,480	\$ -	\$ -	\$ 6,480
Office furniture, fixtures and equipment	<u>733,635</u>	<u>3,580</u>	<u>-</u>	<u>737,214</u>
Total	<u>\$ 740,115</u>	<u>\$ 3,580</u>	<u>\$ -</u>	<u>\$ 743,708</u>

NOTE 6 - COMPENSATION OF BOARD MEMBERS

The District did not pay per diem to any of its Board Members during the year ended December 31, 1996.

NOTE 7 - COMMITMENT

On November 4, 1996, the District entered into a contract to purchase a 1200 GPM class A pump for \$128,361 to be delivered within approximately 220 - 270 days of the contract, payable upon acceptance of the apparatus by District.

Ann T. Hobert

Certified Public Accountant
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Thibodaux, Louisiana

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To the Board
Lafourche Parish Fire Protection District No. 2
Ladysport, Louisiana

I have compiled the accompanying component unit financial statements of Lafourche Parish Fire Protection District No. 2 (the District), a component unit of the Lafourche Parish Council, as of December 31, 1986, and for the year then ended, in accordance with standards established by the American Institute of Certified Public Accountants and generally accepted accounting principles prescribed by the Governmental Accounting Standards Board.

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

Respectfully submitted,

Ann T. Hobert

Ann T. Hobert
Certified Public Accountant

March 18, 1987

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

COMBINED BALANCE SHEET -
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUP

December 31, 1998

	Governmental Fund Type General	Account Group General Fixed Assets	Total (Governmental Type Accounts Only)
ASSETS			
Cash	\$ 85,208	\$ -	\$ 85,208
Certificate of Deposit	83,000	-	83,000
Receivables -			
All valuation taxes	12,787	-	12,787
Due from other governmental units	81,288	-	81,288
Accrued interest income	3,738	-	3,738
General fund assets	-	743,700	743,700
Total assets	\$ 255,899	\$ 743,700	\$ 1,000,609
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	\$ 1,834	\$ -	\$ 1,834
Fund equity:			
Investment in general fund assets	-	743,700	743,700
Fund balance - Unreserved	252,065	-	252,065
Total fund equity	252,065	743,700	995,765
Total liabilities and fund equity	\$ 253,899	\$ 743,700	\$ 997,609

The accompanying notes are an integral part of this statement.

LAFURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(GENERAL FUND)

For the twelve month period ended December 31, 1998

Revenues:	
Taxes - ad valorem	\$ 98,081
Intergovernmental -	
State of Louisiana	
Business sharing	8,710
Insurance rebates	14,482
Use of money and property -	
Interest earned	8,188
	<u>9,188</u>
Total revenues	<u>127,089</u>
Expenditures:	
General government -	
Intergovernmental	
Ad valorem tax deductions	<u>2,877</u>
Public safety -	
Operating services	68,089
Material and supplies	8,077
Capital outlay	<u>3,589</u>
	<u>79,755</u>
Total public safety	<u>79,755</u>
	<u>82,632</u>
Total expenditures	<u>82,632</u>
Excess (deficiency) revenues over expenditures	44,457
Fund balance, beginning	<u>158,081</u>
Fund balance, ending	<u>\$ 202,538</u>

The accompanying notes are an integral part of this statement.

LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
For the twelve month period ended December 31, 1998

	Budget	Actual	Variance- favorable (unfavorable)
Revenues:			
Taxes - all sources	\$ 80,898	\$ 98,891	\$ 17,993
Intergovernmental -			
State of Louisiana:			
Revenue sharing	8,788	8,715	(73)
Insurance rebate	14,482	14,482	-
Use of money and property -			
Interest earned	8,887	8,588	(299)
Total revenues	111,135	127,056	15,921
Expenditures:			
General government -			
Intergovernmental			
All sources tax deductions	2,471	2,871	(408)
Public safety:			
Operating services	68,180	61,989	6,191
Material and supplies	3,290	3,577	(287)
Capital outlay	7,580	3,589	3,991
Total public safety	79,050	73,155	5,895
Total expenditures	81,521	76,035	5,486
Excess (deficiency) revenues over expenditures	29,614	51,021	21,407
Fund balance, beginning	158,081	158,081	-
Fund balance, ending	\$ 214,125	\$ 259,082	\$ 44,957

The accompanying notes are an integral part of this statement.

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LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 2

LOGPORT, LOUISIANA

FINANCIAL REPORT

December 31, 1966

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, certified and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-9-97

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