

OFFICIAL
FILE COPY

DO NOT SEND OUT

Please carefully
examine these files
copy and PLACE
BACK IN FILE

RECEIVED
LEGISLATIVE POSITION
96 JUN 27 PM 4 02

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

FIRE PROTECTION GRANT OF
ST. JOHN VALENTINE FIRE DEPARTMENT, INC.
RECEIVED FROM LAFOURVILLE FIRE PROTECTION DISTRICT NO. 6
Thibodaux, Louisiana
December 31, 1995

under provisions of state law, this
report is a public document. A
copy of the report has been
filed to the Auditor, the
County and other appropriate
officials. The report is available
for public inspection at the
Budget Office of the Legislature,
for and, where appropriate, the
office of the parish clerk of court.

Release Date: 7-28-96

Wagnonpack & Associates (APAC)

Certified Public Accountants

P. O. Box 682

Belle Rose, LA 70341

(504) 479-8200

C O N T E N T S

	Page
INDEPENDENT AUDITOR'S REPORT	1
 FIRE PROTECTION GRANT FINANCIAL STATEMENTS	
Balance Sheet - Fire Protection Grant as of December 31, 1985 (received from Lafayette Fire District No. 6)	2
Balance Sheet - Fire Protection Grant as of December 31, 1984 (received from Lafayette Fire District No. 6)	3
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - for the year ended December 31, 1985 Fire Protection Grant (received from Lafayette Fire Protection No. 6)	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - for the year ended December 31, 1984 Fire Protection Grant (received from Lafayette Fire Protection No. 6)	5
Notes to the Financial Statements	6-9
 OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS	
Independent Auditor's Report on Compliance with Laws and Regulations Based on an Audit of Grant Financial Statements Performed in Assistance with Government Auditing Standards	10
Independent Auditor's Report on the Internal Control Structure Based on an Audit of Grant Financial Statements Performed in Assistance with Government Auditing Standards	11-12

WAGNERSPACK & ASSOCIATES

(A Professional Accounting Corporation)

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 452

Bella Rose, LA 70044-0452

Telephone (504) 475-0008

Telex (504) 475-2905

RECEIVED
LEGISLATIVE AUDITOR06 JUL 27 PM 4:02
Wagnerpack, CPA
Elaine Toups Wagnerpack, CPA**INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying fire protection grant financial statements of St. John Volunteer Fire Department, Inc. received from Lafayette Fire Protection District No. 4, Thibodaux, Louisiana, as of December 31, 1995 and 1994 and for the years in the two year period then ended, as listed in the table of contents. These financial statements are the responsibility of St. John Volunteer Fire Department, Inc.'s management. 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 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. 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note A, the financial statements present only the fire protection grant from Lafayette Fire Protection District No. 4 and are not intended to present fairly the financial position and results of operations of St. John Volunteer Fire Department, Inc., in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the fire protection grant of St. John Volunteer Fire Department, Inc. received from Lafayette Fire District No. 4 as of December 31, 1995 and 1994, and the results of its operations for the two years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated June 17, 1996 on our consideration of St. John Volunteer Fire Department, Inc.'s internal control structure and a report dated June 17, 1996 on its compliance with laws and regulations.

Wagnerpack & Associates (APAC)

Bella Rose, Louisiana
June 17, 1996

Receipt Acknowledged
Legislative Auditor

1 By _____

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

**BALANCE SHEET - FIRE PROTECTION GRANT
December 31, 1995**

	Special Revenue Fund-Fire Protection Grant	General Fund Assets Acquired With Grant Funds	General Long-Term Debt To Be Paid With Grant Funds	Total (Monetary Only)
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 30,575	\$ -	\$ -	\$ 30,575
General Fund Assets-Grant:				
Fire protection facilities and equipment	-	185,540	-	185,540
Amount to be provided for retirement of general long-term debt	-	-	50,000	50,000
TOTAL ASSETS AND OTHER DEBITS	\$ 30,575	\$ 185,540	\$ 50,000	\$ 366,115
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
None payable	\$ -	\$ -	\$ 50,000	\$ 50,000
TOTAL LIABILITIES	-	-	50,000	50,000
Equity and Other Credits:				
Investment in general fund assets-grant funds	-	185,540	-	185,540
Fund balance-unreserved, unassigned	30,575	-	-	30,575
TOTAL EQUITY AND OTHER CREDITS	30,575	185,540	-	316,115
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 30,575	\$ 185,540	\$ 50,000	\$ 366,115

The accompanying notes are an integral part of this statement.

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

**BALANCE SHEET - FIRE PROTECTION GRANT
December 31, 1994**

	Special Revenue Fund-Fire Protection Grant	General Fund-Assets Acquired With Grant Funds	General Long-Term Debt To Be Paid With Grant Funds	Total (Miscellaneous Data)
ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 16,472	\$ -	\$ -	\$ 16,472
General Fund Assets-Grant Fire protection facilities and equipment	-	181,863	-	181,863
Amount to be provided for retirement of general long-term debt	-	-	75,000	75,000
TOTAL ASSETS AND OTHER DEBITS	\$ 16,472	\$ 181,863	\$ 75,000	\$ 273,335
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Notes payable	-	-	75,000	75,000
TOTAL LIABILITIES	-	-	75,000	75,000
Equity and Other Credits:				
Investments in general fund assets-grant funds	-	181,863	-	181,863
Fund balance-unreserved, unexpended	16,472	-	-	16,472
TOTAL EQUITY AND OTHER CREDITS	16,472	181,863	-	198,335
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 16,472	\$ 181,863	\$ 75,000	\$ 273,335

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION GRANT OF
ST. JOHN VOLUNTEER FIRE DEPARTMENT, INC.
(RECEIVED FROM LAPOURCHE FIRE PROTECTION NO. 4)
Ythouba, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (DRAFT BASIS) AND ACTUAL -
SPECIAL REVENUE FUND
FIRE PROTECTION GRANT
For the Year Ended December 31, 1998**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental revenues:			
Fire protection grant from Lapourche Fire Protection No. 4	\$ 41,200	\$ 43,037	\$ 1,837
Fire insurance rebate	14,900	16,000	1,100
Use of money and property- Interest earnings	300	576	276
TOTAL REVENUES	<u>56,400</u>	<u>59,613</u>	<u>3,213</u>
EXPENDITURES			
Current operating			
Public safety	21,250	14,054	7,196
Capital outlay			
Public safety	9,200	3,477	5,723
Debt Service			
Principal	25,000	25,000	-
Interest	3,200	3,183	17
TOTAL EXPENDITURES	<u>58,650</u>	<u>45,714</u>	<u>12,936</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,250)</u>	<u>13,899</u>	<u>16,149</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>16,472</u>	<u>16,472</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 14,222</u>	<u>\$ 30,371</u>	<u>\$ 16,149</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 NO. 4)
Thibodaux, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -
SPECIAL REVENUE FUND
FIRE PROTECTION GRANT
For the Year Ended December 31, 1994**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental revenues:			
Fire protection grant from Lafourche Fire Protection No. 4	\$ 39,800	\$ 40,257	\$ 457
Fire insurance rebate	12,805	14,694	1,889
Use of money and property-			
Interest earnings	70	621	551
TOTAL REVENUES	<u>52,675</u>	<u>55,622</u>	<u>2,947</u>
EXPENDITURES			
Current operating			
Public safety	29,600	29,417	1,883
Capital outlay			
Public safety	2,419	8,196	(5,777)
Debt Service			
Principal	25,000	25,000	-
Interest	5,833	5,756	77
TOTAL EXPENDITURES	<u>56,722</u>	<u>58,611</u>	<u>(1,889)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,047)</u>	<u>(2,989)</u>	<u>3,052</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>18,221</u>	<u>18,221</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 14,174</u>	<u>\$ 15,232</u>	<u>\$ 1,058</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 NO. 6)
Thibodaux, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1999 and 1998**

NOTE A - 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. 6 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 1999, the Lafourche Fire Protection District No. 6 entered into a grant agreement with St. John Volunteer Fire Department, Inc. The fire protection grant was for the purpose of inspecting, maintaining, and operating buildings, machines, water tanks, water hydrants, 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 related quasi-public corporation that is subject to the grant provisions of its funding agency. The board members are not appointed by the parish government. The volunteer fire department is not financially dependent on the parish government and the nature and significance of their relationship with the parish government is not such that their exclusion would render the parish government'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. 6 and do not present information on the parish government, the general government services provided by that governmental unit, and other governmental units that comprise the parish government's reporting entity, but 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 whereby a separate, self-balancing set of accounts is maintained that comprises its assets, liabilities, fund equity, revenues, and expenditures.

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

MEMORANDUM ONLY-TOTAL COLUMN - The total column on the balance sheet is captioned Memorandum Only (overview) 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 consolidation.

BASIS 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 measurements made, regardless of the measurement focus 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 BY
ST. JOHN VOLUNTEER FIRE DEPARTMENT, INC.
(RECEIVED FROM LAFOURCHE FIRE PROTECTION NO. 4)
Thibodaux, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1995 and 1994**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenues are recognized in the accounting period in which they become receivable or accumulation in which 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. Reconciliation 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. Accounts 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 measurement of results of 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 sick policy.

NOTE B - CASH AND CASH EQUIVALENTS

At December 31, 1995 and 1994, the department had cash and cash equivalents totaling (bank balances) \$10,715 and \$26,472, respectively. 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, 1995 and 1994 with the related federal deposit insurance:

FIRE PROTECTION GRANT OF
 ST. JOHN VOLUNTEER FIRE DEPARTMENT, INC.
 (RECEIVED FROM LAFOURVILLE FIRE PROTECTION NO. 4)
 Thibodaux, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
 December 31, 1993 and 1994

NOTE B - CASH AND CASH EQUIVALENTS - CONTINUED

	<u>1993</u>	<u>1994</u>
Interpreting demand deposits	\$ <u>30,573</u>	\$ <u>16,472</u>
Federal deposit insurance	\$ <u>30,573</u>	\$ <u>16,472</u>
Total insurance	\$ <u>30,573</u>	\$ <u>16,472</u>

NOTE C - CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in fixed assets:

	<u>BALANCE</u> <u>12-31-94</u>	ADDITIONS	DEDUCTIONS	<u>BALANCE</u> <u>12-31-95</u>
Fire protection facilities and equipment	\$ <u>181,882</u>	\$ <u>3,417</u>	\$ _____	\$ <u>185,299</u>
	<u>BALANCE</u> <u>12-31-93</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>12-31-94</u>
Fire protection facilities and equipment	\$ <u>178,705</u>	\$ <u>6,158</u>	\$ _____	\$ <u>184,863</u>

NOTE D - LITIGATION AND CLAIMS

There are no claims or litigation pending against the fire department as December 31, 1993 according to management of the fire department.

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

NOTES TO THE FINANCIAL STATEMENTS
December 31, 1993 and 1994

NOTE E - NOTE PAYABLE

The following is a summary of the changes in the Note Payable as follows for the years ended December 31, 1993 and 1994:

Note Payable at December 31, 1993	\$ 100,000
Additions	-
Reductions	<u>25,000</u>
Note Payable at December 31, 1994	75,000
Additions	-
Reductions	<u>25,000</u>
Note Payable at December 31, 1995	<u>\$ 50,000</u>

**OTHER REPORTS REQUIRED BY GOVERNMENT
AUDITING STANDARDS**

WAGUESPAK & ASSOCIATES

A Professional Accounting Corporation

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 463

Belle Meade, LA 70311-0463

Michael Jean Waguespak, CPA
Elaine Toups Waguespak, CPA

Telephone (504) 475-5200

Teletype (504) 475-5245

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS
BASED ON AN AUDIT OF ORALANT
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited the fire protection grant financial statements of St. John Voluntary Fire Department, Inc. received from Louisiana Fire Protection District No. 6, Thibodaux, Louisiana, as of December 31, 1990 and 1991 and for each of the years in the two-year period then ended, and have issued our report thereon dated June 17, 1992.

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 grant financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to St. John Voluntary Fire Department, Inc., is the responsibility of St. John Voluntary Fire Department, Inc.'s management. As part of obtaining reasonable assurance about whether the grant financial statements are free of material misstatement, we performed tests of the Department's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the grant financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under Government Auditing Standards.

This report is intended for the information of the management of St. John Voluntary Fire Department, Inc. and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Waguespak & Associates (CPA)

Belle Meade, Louisiana
June 17, 1992

WAGUESPACE & ASSOCIATES
A Professional Accounting Corporation
CERTIFIED PUBLIC ACCOUNTANTS
P.O. Box 404
Belle Rose, LA 70003-0404

Michael Jean Waguespace, CPA
Blaine Toups Waguespace, CPA

Telephone (504) 473-8300
Teletype (504) 473-2945

**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GRANT FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited the fire protection grant financial statements of St. John Volunteer Fire Department, Inc. received from Lafourche Fire Protection District No. 4, Thibodaux, Louisiana, as of December 31, 1995 and 1994 and for each of the years in the two year period then ended, and have issued our report thereon dated June 17, 1996.

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 grant financial statements are free of material misstatements.

The management of St. John Volunteer Fire Department, Inc. 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 grant 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 our audit of the grant financial statements of St. John Volunteer Fire Department, Inc. received from Lafourche Fire Protection District No. 4 as of December 31, 1995 and 1994 and for each of the years in the two year period then ended, 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 grant financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the intentions of management in the grant financial statements.

Because of the limited number of personnel, an internal control system with adequate segregation of responsibility is not feasible.

A material weakness is a reportable condition in which the design or operation of one or more 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 grant financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

This report is intended for the information of the management of St. John Wolveney Fire Department, Inc. and the Legislative Auditor of the State of Louisiana. This notice is not intended to limit the distribution of this report, which is a matter of public record.

Wagman & Associates (APC)

Belle Rose, Louisiana
June 17, 1996