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ALLEN PARISH WARD 1 FIRE  
PROTECTION DISTRICT NO. 2

BERNARD, LOUISIANA

FINANCIAL STATEMENTS  
For the Year Ended July 31, 1999

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: 12/26/99

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Board of Commissioners  
Allen Parish Ward 3 Fire  
Protection District No. 2  
Brazoria, Louisiana

We have compiled the accompanying component unit financial statements of the Allen Parish Ward 3 Fire Protection District No. 2 as of and for the year ended July 31, 1996 as listed in the table of contents, 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.

*Hinagan, Willis & Mendosa, PLLC*

November 28, 1996

ALABAMA POWER COMPANY'S FINANCIAL STATEMENTS AND NOTES  
 Thereby Included

Consolidated Balance Sheet - all Fund  
 General Account Assets  
 July 31, 1998

	Investment Fund Types		Account Types		Total	
	Closed Fund	Service Fund	Closed Fund Assets	General Account	Other Assets Only	
					200	100
<b>ASSETS</b>						
Cash	46,280	47,827			134,866	164,283
Certificates of deposit		49,869			49,869	4
Receivables from other fund		3,256			3,256	3,256
Valley deposits	681				681	681
Fixed assets			104,994			104,994
Amount available to be liquidated				19,281		19,281
Amount held in trust for retirement					14,289	14,289
Long term debt				289,337	289,337	289,337
<b>TOTAL ASSETS</b>	<u>47,542</u>	<u>101,952</u>	<u>104,994</u>	<u>289,337</u>	<u>1,000,136</u>	<u>1,000,136</u>
<b>LIABILITIES</b>						
Accounts payable					3,276	3,276
Due another fund	3,276					
General obligations payable				175,000	175,000	175,000
<b>TOTAL LIABILITIES</b>	<u>3,276</u>	<u>0</u>	<u>0</u>	<u>175,000</u>	<u>183,276</u>	<u>183,276</u>
<b>NET EQUITY</b>						
Revised general fund assets			104,994		104,994	104,994
Fixed balances						
Revised net ADA assets		14,981			14,981	14,981
Revised net subordinated	43,771				43,771	43,771
<b>TOTAL NET EQUITY</b>	<u>43,771</u>	<u>14,981</u>	<u>104,994</u>	<u>0</u>	<u>183,746</u>	<u>183,746</u>
<b>TOTAL LIABILITIES AND NET EQUITY</b>	<u>47,542</u>	<u>101,952</u>	<u>104,994</u>	<u>175,000</u>	<u>1,000,136</u>	<u>1,000,136</u>

See statement of supplementary and accompanying notes.

**ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2**  
**Bayou, Louisiana**

**Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - All  
Governmental Fund Types  
For the Year Ended July 31, 1995**

	General Fund	Debt Service Fund	Totals	
			Microcomputer Only	
			1995	1994
<b>REVENUES</b>				
Ad valorem taxes	71,584	75,989	147,573	184,830
Interest	988	4,291	5,179	1,761
Miscellaneous	3,281		3,281	1,698
<b>Total revenues</b>	<b>41,881</b>	<b>81,280</b>	<b>133,753</b>	<b>188,289</b>
<b>EXPENDITURES</b>				
General government	23,504		23,504	27,264
Capital outlays	4,281		4,281	1,931
Debt service:				
Principal retirement		20,000	20,000	20,000
Interest and bond charges		43,808	43,188	35,247
<b>Total expenditures</b>	<b>27,785</b>	<b>63,808</b>	<b>91,593</b>	<b>85,442</b>
<b>EXCESS OF REVENUE OVER UNDER EXPENDITURE:</b>	<b>14,096</b>	<b>17,472</b>	<b>31,568</b>	<b>102,846</b>
<b>FUND BALANCE - Beginning, August 1, 1994</b>	<b>31,899</b>	<b>125,111</b>	<b>157,010</b>	<b>166,647</b>
<b>FUND BALANCE - Ending, July 31, 1995</b>	<b>45,995</b>	<b>142,583</b>	<b>188,578</b>	<b>171,793</b>

See accountant's compilation report and accompanying notes.

ALLEN PARKER BOARD OF PROTECTION DISTRICT NO. 2  
 Dorcas, Louisiana

Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 Budget and Actual - General Fund  
 For the Year Ended July 31, 1996

	Budget	Actual	Variance (Favorable/ Unfavorable)	1995 Actual
<b>REVENUES</b>				
Ad valorem taxes	23,000	27,000	4,000	18,600
Interest	0	000	000	000
Miscellaneous	0	3,281	3,281	3,078
<b>Total Revenues</b>	<u>23,000</u>	<u>30,281</u>	<u>7,281</u>	<u>21,678</u>
<b>EXPENDITURES</b>				
Administration				
Advertising	200	210	10	0
Bank charges	100	50	50	100
Bookkeeping	1,000	1,000	0	000
Business meals	0	0	0	0
Insurance	13,000	13,640	(640)	10,000
Utilities	500	15	485	500
Legal and professional	3,000	1,000	2,000	2,000
Maintenance and repairs	3,000	1,000	2,000	3,000
Medical	0	0	0	0
Miscellaneous	0	0	0	1,000
Office	600	150	450	700
Pay rolls	1,000	1,000	0	1,000
Promotion	0	150	150	0
Rental	1,000	0	1,000	0
Supplies	100	100	0	0
Training	1,000	400	600	0
Utilities-plant	4,000	3,000	1,000	2,000
Worker's compensation	1,000	990	10	0
Capital outlay	1,000	4,281	(3,281)	2,000
<b>Total expenditures</b>	<u>33,000</u>	<u>39,400</u>	<u>(6,400)</u>	<u>26,200</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>0</u>	<u>10,881</u>	<u>10,881</u>	<u>5,478</u>
<b>FUND BALANCE - Unassigned - undesignated - August 1, 1995</b>	<u>21,000</u>	<u>21,000</u>		<u>20,000</u>
<b>FUND BALANCE - Unassigned - undesignated - July 31, 1996</b>	<u>21,000</u>	<u>31,881</u>	<u>10,881</u>	<u>25,478</u>

See attached schedule of expenditures and accompanying notes.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
Bossier, Louisiana

Notes To Financial Statements  
July 31, 1996

The accounting methods and procedures adopted by Allen Parish Ward 3 Fire Protection District No. 2 conform to generally accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the financial report.

Note 1 - Summary Of Significant Accounting Policies

Allen Parish Ward 3 Fire Protection District No. 2 was created under the provisions of Louisiana Revised Statutes 48:1492-1501, for the purpose of providing fire protection for the people of Ward 3 of Allen Parish. The district is governed by a board of commissioners composed of five members appointed by the Allen Parish Police Jury.

A. Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public services. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of responsibilities. Based upon the application of these criteria, there are no potential component units included in the government's reporting entity.

B. Fund Accounting

The accounts of the district are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund and account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues

and expenses or expenditures. The following funds and groups of accounts are used by the district:

#### Governmental Fund Types

These are funds through which most governmental functions typically are financed. The funds included in this category are as follows:

##### General Fund:

The General Fund is the general operating fund of the district. All financial resources, except those to be accounted for in another fund, are accounted for in the General Fund.

##### Debt Service Fund:

The Debt Service Fund is used to account for the accumulation of resources for the payment of interest and principal on long-term obligation debt.

#### Account Groups

The district maintains two account groups as described below:

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

This is not a fund, but rather an account group that is used to account for the outstanding principal balances of general obligation bonds.

#### C. Basis of Accounting

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i. e., when they become both measurable and available). Expenditures are recorded when the fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations which are recognized when paid.

#### D. Budget

The budget is adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the general fund. All annual appropriations lapse at fiscal year end.

#### E. Due To and Due From Other Funds



Interfund receivables and payables arise from interfund transactions and are recorded by all funds in the period in which transactions are executed.

#### F. Total Columns

Total columns on the financial 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. Interfund transactions have not been eliminated from the total columns of each financial statement.

#### Note 2 - Property Taxes

For the year ended July 31, 1998, taxes of 13.68 mills were levied on property with assessed valuations totaling \$8,187,518, and were dedicated as follows:

Maintenance	4.89 mills
Bond Sinking	11.69 mills

Total net taxes levied were \$130,919.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15<sup>th</sup> of the current year, and become delinquent after December 31<sup>st</sup>. Property taxes not paid by the end of February are subject to lien.

#### Note 3 - Fixed Assets

A summary of changes in general fixed assets follows:

	Beginning Balance	Net Additions	Ending Balance
Equipment	\$355,048	\$ 4,281	\$359,329
Land	14,677	-	14,677
Building	136,561	-	136,561
Total	<u>\$506,286</u>	<u>\$ 4,281</u>	<u>\$510,567</u>

#### Note 4 - Long-Term Debt

The following is a summary of long-term debt transactions of the district for the year ended ended July 31, 1998:

Bonds payable August 1, 1995	\$185,000
Bonds retired	20,000
	<hr/>
Bonds payable July 31, 1996	\$175,000

Debt outstanding at July 31, 1996 consisted of the following:

\$300,000 General Obligation bonds dated 01/01/87, due in annual installments of \$15,000 - \$50,000 through February 1, 2007; interest at 8.0% - 10.0% (this issue secured by levy and collection of ad valorem taxes) \$175,000

The annual requirements to amortize all debts outstanding as of July 31, 1996, are as follows:

Year Ending	Total
July 31	
1997	\$ 91,288
1998	34,488
1999	32,488
2000	33,463
2001	33,000
Thereafter	<hr/>
	\$641,185

#### Note 5 - Pay Items

As provided by Louisiana Revised Statute 40:1498, each commissioner received \$25 per diem for attending regular and special monthly meetings.

Benny Reeves	\$ 225
Pat King	300
Carl Ritter	225
Fred Ritter	225
Tim Reeves	300
Marvin Kay Bore	100
W. C. Reeves	25
Larry Elzer	<hr/>
	\$1,500

#### Note 6 - Cash

At July 31, 1996, the district had cash (bank balances) totaling \$176,109. Under state law, these deposits (or the resulting bank balances) 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 federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging agent bank in a holding or custodial bank that is mutually acceptable to both parties. At July 31, 1998, the district had \$181,568 in deposits (collected bank balances). These deposits were secured from risk by securities held by the custodial bank in the name of the fiscal agent bank (GAAP Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GAAP Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

**Independent Accountants' Report On  
Applying Agreed-Upon Procedures**

To the Board of Commissioners  
Allen Parish Ward 3 Fire Protection District No. 2  
Reeves, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Allen Parish Ward 3 Fire Protection District No. 2, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the district's compliance with certain laws and regulations during the year ended July 31, 1996, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below 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 works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2213 (the public bid law).

There were no expenditures for materials and supplies exceeding \$5,000, nor for public works 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 42:1101-1124 (the code 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 noted information.

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

The board has no employees. Board members receive per diem payments.

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

The board has no employees.

#### *Budgeting*

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

Management provided us with a copy of the original budget and all amendments.

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

We traced the adoption of the original budget to the minutes of a meeting held on August 23, 1995, which indicated that the budget had been adopted by the board.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%, except for the capital outlay which was 77% in excess of amount budgeted for the year.

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

#### *Accounting and Reporting*

8. Randomly select 6 disbursements made during the period under examination and:
  - (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

All payments were properly coded to the correct fund and general ledger account.

- (g) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Board of Commissioners of Allen Parish Ward 3 Fire Protection District No. 2.

#### *Meetings*

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS-42:1 through 42:12 (the open meetings law).

The Board of Commissioners of Allen Parish Ward 3 Fire Protection District No. 2 is only required to post a notice of each meeting and the accompanying agenda on the doors of the district's office building. 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 notices and agendas.

#### *Liabilities*

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 indebtedness.

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

#### *Advances And Allowances*

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 board has no employees.

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 management of the Allen Parish Ward 3 Fire Protection District No. 2 and the Legislative Auditors, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Thomason, Villa & Anderson, PLLC*