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**NATCHITOCHES PARISH FIRE PROTECTION
DISTRICT NO. 1**

**FINANCIAL REPORT
DECEMBER 31, 1987**

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, 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 MAY 13 1988

Matriculoles Parish Fire Protection District No. 1
Financial Report
December 31, 1997

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Johnson, Thomas & Cunningham

Chartered Accountants

State Of Louisiana - 1987 - 1988 Annual Report (continued)

Johnson, Thomas & Cunningham

State Of Louisiana - 1987 - 1988 Annual Report

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ACCOUNTANCY COMPILATION REPORT ON THE FINANCIAL STATEMENTS

Machitoches Parish Fire
Protection District No. 1
P. O. Box 62
Cloutiersville, Louisiana 71416

We have compiled the accompanying balance sheet of the Machitoches Parish Fire Protection District No. 1, a component unit of the Machitoches Parish Police Jury, as of December 31, 1987, and the related Statement of Revenues, Expenditures and Changes in Fund Balance-Budget (GAAP Basis) and Actual for the year then ended, in accordance with Statements on Standards established by the American Institute of Certified Public Accountants. The financial statements have been prepared on the modified accrual basis of accounting, which is the generally accepted accounting methods established by the Governmental Accounting Standards Board for governmental units.

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.

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, CPAs

April 1, 1988
Machitoches, Louisiana

COMPONENT UNIT FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Natchitoches Parish Fire Protection District No. 3
 Combined Balance Sheet
 Fund Type and Account Group
 December 31, 1997

	Governmental Fund Type General Fund	Account Group General Fixed Assets	Totals (Memorandum Only)
ASSETS			
Cash	\$ 9,280	\$ 0	\$ 9,280
Revenue Receivables	41,649	0	41,649
Buildings & Equipment	_____	251,929	251,929
Total Assets	\$20,929	\$251,929	\$272,858
Liabilities & Fund Equity			
Liabilities-			
Accounts Payable	\$ 4,392	\$ 0	\$ 4,392
Fund Equity-			
Investment in General Fixed Assets	0	251,929	251,929
Fund Balance-			
Unreserved-Unassigned	46,537	_____	46,537
Total Liabilities & Fund Equity	\$20,929	\$251,929	\$272,858

See accountants' compilation report.

Northbrook Parish Fire Protection District No. 1
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget (GAAP Basis) and Actual
 General Fund Type
 Year Ended December 31, 1997

	General Fund		Variance- Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Taxes	\$49,808	\$54,268	\$ 5,268
Miscellaneous	1,508	2,088	588
Total Revenues	<u>\$51,316</u>	<u>\$56,356</u>	<u>\$ 5,274</u>
EXPENDITURES:			
Current-			
General Government	\$ 1,000	\$ 2,197	\$ 213
Public Safety	14,580	15,721	779
Capital Expenditures	33,080	34,711	(2,711)
Total Expenditures	<u>\$48,660</u>	<u>\$52,629</u>	<u>\$ (3,669)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 2,656	\$ 3,875	\$ 4,075
Fund Balance - Beginning of Year	41,451	41,462	11
Fund Balance - End of Year	<u>\$44,107</u>	<u>\$45,337</u>	<u>\$ 1,230</u>

See accountants' compilation report.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1997

1. The Reporting Entity:

Fire Protection District No. 1, of Natchitoches Parish, Louisiana was created in June 1982, by ordinance of the Natchitoches Parish Police Jury. The District is charged with providing fire protection for the citizens of District No. 1 of Natchitoches Parish.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental accounting and financial reporting standards. The codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

Fire Protection District No. 1, of Natchitoches Parish prepares its financial statements in accordance with the standards established by the GASB. GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the Natchitoches Parish Police Jury. The accompanying statements present only transactions of the Fire District No. 1, of Natchitoches Parish, a component unit of the Natchitoches Parish Police Jury.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of Natchitoches Parish Fire Protection District No. 1 conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:117.

As the governing authority of the parish, for reporting purposes, the Natchitoches Parish Police Jury is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (police jury), (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 Natchitoches Parish Police Jury for financial reporting purposes. The basic criteria 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.

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1997

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
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 police jury created by ordinance Fire District No. 1, the District was determined to be a component unit of the Natchitoches Parish Police Jury, 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 police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The following is a summary of certain significant accounting principles and practices:

Fund Accounting

The accounts of Natchitoches Parish Fire Protection District No. 1 are organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund or account groups are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, revenues and expenditures. Resources are allocated to the fund or account group based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund presented in this report is described as follows:

Governmental Fund-

General Fund. The General Fund is the general operating fund of the District. It is used to account for all financial resources of the District.

Fixed Assets and Long-term Liabilities-

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The governmental fund is accounted for on a spending or "financial flow" measurement focus and only current assets and liabilities are generally included on its balance sheet.

Fixed assets used in the governmental fund operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in the general fund.

**Marshfield Parish Fire
Protection District No. 1**

**Notes to Financial Statements
December 31, 1997**

These assets are recorded as expenditures in the General Fund when purchased. 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, not with measurement of results of operations.

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 measurement made, regardless of the measurement focus applied.

The General Fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Purchase of various operating supplies are regarded as expenditures at the time purchased.

The Marshfield Parish Fire Protection District No. 1 does not employ the use of "Encumbrance accounting".

Total Columns on Combined Statements-Overview:

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis.

Budgetary Practices

Prior to the beginning of each fiscal year, the Treasurer submits a proposed budget to the Board of Commissioners. The budget is adopted, and held open for public inspection. All budgetary appropriations lapse at the end of the year. The budget presented in these financial statements was adopted on a basis consistent with generally accepted accounting principles.

Investments:

The District does not have any investments other than cash invested in interest bearing checking accounts and certificates of deposit held at local banks.

Natchitoches Parish Fire
Protection District No. 1

Notes to Financial Statements
December 31, 1997

3. Pension Plan

The District is not a member of any retirement plan.

4. General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance 1-1-97	Additions	Deletions	Balance 12-31-97
Fire Equipment	\$219,218	512,711	39	\$731,929

5. Litigation

The District is a party in a civil lawsuit for the year ended December 31, 1997. This suit has yet to be scheduled for trial and monetary damages, if any, are indeterminable as of the statement date.

6. Related Party Transactions

The District had no related party transactions for the year ended December 31, 1997.

7. Compensation Paid to Board Members

The members of the Board of Commissioners of the District receive no compensation for their services.

8. Ad Valorem Taxes

The District levies taxes on real and business personal property located within the boundaries of Natchitoches Parish Fire District No. 1. Property taxes are listed by the District on property values assessed by the Natchitoches Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Natchitoches Parish Sheriff's office bills and collects property taxes for the District. Collections are remitted to the District monthly. The District recognizes property tax revenues when levied.

**Natchitoches Parish Fire
Protection District No. 1**

**Notes to Financial Statements
December 31, 1997**

Property Tax Calendar

Assessment date	January 1, 1997
Levy date	June 30, 1997
Tax bills mailed	October 15, 1997
Total taxes are due	December 31, 1997
Penalties and interest added	January 31, 1998
Lien date	January 31, 1998
Tax Sale	May 15, 1998

The District is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 20% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the District. Property taxes are recorded as receivables and revenues in the year assessed.

Assessed values are established by the Natchitoches Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

18% land	15% machinery
18% residential improvements	15% commercial improvements
15% industrial improvements	15% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 1996. Total assessed value was \$8,249,838 in 1997. Louisiana state law exempts the first \$7,580 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$2,690,818 of the assessed value in 1997. For the year ended December 31, 1997, taxes of \$7.69 mills were levied on the property and were dedicated to fire protection. Taxes collected totaled \$14,208, after adjustments from the prior year.

9. Cash and Investments

For reporting purposes, cash and cash equivalents include cash, demand deposits, time deposits, and certificates of deposits. At December 31, 1997, the District had cash equivalents totaling \$9,288. Under Louisiana Law, these deposits must be secured by Federal deposit insurance, or by the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. The deposits at December 31, 1997, were as follows:

	Bank Balances	FEDIC Insurance	Balance Uninsured
Cash in Banks	92,288	92,288	0

Johnson, Thomas & Cunningham
Chartered Accountants

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State of Louisiana (SOA) - Political Expenses (continued)

John S. Thomas, P. C. - Political Expenses

John S. Cunningham, P. C. - Political Expenses

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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLICABLE AGREED-UPON PROCEDURES**

To the Board of Commissioners of the
Natchitoches Parish Fire District No. 1

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Natchitoches Parish Fire Protection District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Natchitoches Parish Fire District No. 1's compliance with certain laws and regulations during the year ended December 31, 1997 included in the accompanying *Louisiana Association 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 materials and supplies exceeding \$5,000, or public works exceeding \$25,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2216 (the public bid law).

Disbursements found appeared to be compliance.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

1. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:101-1124 (the code of ethics), and a list of outside business interest of all board members and employees, as well as their immediate families.

Management provided us with the required list, including the noted information.

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

Not applicable.

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

Not applicable.

BUDGETING

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

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

We traced the adoption of the original budget to the minutes of the District. It was adopted by a unanimous decision.

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 3%.

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 3%.

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;

Each disbursement appeared to be coded correctly.

- (c) determine whether payments received approval from proper authorities;

Inspection of supporting documentation showed written approval. In addition, non-recurring entries were discussed and approved in the minutes.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 41:1 through 41:12 (the open meetings law)

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management has asserted that such documents were properly posted.

DEBT

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or any other indebtedness which have not been approved by the State Bond Commission.

We inspected copies of all bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or other indebtedness which had not been approved by the State Bond Commission.

ADVANCES AND BONUSES

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

Not applicable.

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 Natchitoches Parish Fire Protection District No. 1 and the Legislative Auditor, 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.


Johnson, Thomas & Cunningham, CPAs

April 1, 1998
Natchitoches, Louisiana