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**BOYD CANE
FIRE PROTECTION DISTRICT
HOUMA, LOUISIANA**

Financial Reports

December 31, 1987

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 JUN 11 1988

**BAYOU CANE
FIRE PROTECTION DISTRICT
HOUMA, LOUISIANA**

Financial Reports

December 31, 1997

BAYOU CANE FIRE PROTECTION DISTRICT
HOUMA, LOUISIANA

Financial Reports

December 31, 1997

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page Number</u>
<u>Introductory Section</u>		
Title Page.....		1-1
Table of Contents.....		1-ii
<u>Financial Section</u>		
Independent Auditor's Report.....		1-1
Component Unit Financial Statements:		
Balance Sheet - General Fund.....	1	1-3
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund.....	2	1-4
Notes to Financial Statements.....	3	1-5
Supplementary Schedule and Information:		
Schedule of Per Diem Paid to Board Members.....		1-9
<u>Supplemental Financial Reports</u>		
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....		2-1
Schedule of Findings and Questions and Costs.....		2-3
Schedule of Prior-Year Findings.....		2-5
Management's Corrective Action Plan.....		2-6

INDEPENDENT AUDITOR'S REPORT

To the Bayou Cane Fire Protection District Board
Houma, Louisiana

We have audited the general purpose financial statements of the Bayou Cane Fire Protection District (the District), a component unit of the Terrebonne Parish Consolidated Government, as of December 31, 1997 and for the period from inception (February 7, 1997) to December 31, 1997, as listed in the table of contents. Those component unit financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these component unit 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. Those standards require that we 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 component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit 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 the Bayou Cane Fire Protection District as of December 31, 1997, and the results of its operations for the initial period then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 20, 1998, on our consideration of the Bayou Cane Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Bayou Canoe Fire Protection District. The information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

May 20, 1998



BAYOU CAME FIRE PROTECTION DISTRICT
Houma, Louisiana

Exhibit 1

Balance Sheet - General Fund

December 31, 1997

ASSETS

Cash	\$	57,134
Ad valorem taxes receivable		422,607
State revenue sharing receivable		<u>33,134</u>
Total assets	\$	<u>512,875</u>

LIABILITIES AND FUND BALANCE

Liabilities - deferred revenues	\$	512,875
Fund balance - unreserved		<u>-</u>
Total liabilities and fund balance	\$	<u>512,875</u>

BAYOU CANE FIRE PROTECTION DISTRICT
Houma, Louisiana

Statement of Revenues, Expenditures and Changes
in Fund Balance - General Fund

Period From February 7, 1997 (Inception) to December 31, 1997

REVENUES

Contributions from Bayou Cane Volunteer Fire Department	\$ 1,320
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EXPENDITURES

Per diems paid to board members	<u>1,320</u>
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EXCESS REVENUES (EXPENDITURES)

-

FUND BALANCE

Beginning of year	<u>-</u>
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End of year	<u>\$ -</u>
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BAYOU CARE FIRE PROTECTION DISTRICT
Houma, Louisiana

Notes to Financial Statements

December 31, 1997

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Bayou Care Fire Protection District (the District) was created by the Terrebonne Parish Consolidated Government (the Parish) by Ordinance No. 5732, dated February 7, 1997, pursuant to Louisiana Revised Statutes 40:1403 and 40:1404. The District provides fire protection and related services and facilities in Terrebonne Parish within the boundaries established by the ordinance.

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies.

a. Reporting Entity:

The District is classified as a component unit of the Terrebonne Parish Consolidated Government. The members of the District's governing board are appointed by the Parish and all Louisiana State Bond Commission approvals must be obtained through the Parish. Therefore, the Parish has the ability to impose its will on the District.

The activities of the District have been reviewed and it was determined that there are no potential component units which should be included in the financial statements of the District.

b. Fund Accounting

The District uses funds 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 spendable available financial resources.

BAYOU CANS FIRE PROTECTION DISTRICT
Houma, Louisiana

Notes to Financial Statements, Continued

December 31, 1997

Governmental Funds

Governmental Funds are those through which the 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 and expenditures.

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.

The governmental fund type (General Fund) is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available on net current assets.

All valorem taxes and the related state revenue sharing (which is based on population and households in the District) are considered available in the year for which the taxes are budgeted. The 1997 taxes were levied to finance the 1998 budget and are recorded as deferred revenues on the District's balance sheet as of December 31, 1997. Taxes paid under protest are recorded in the year available. Delinquent taxes are considered uncollectible and are not recorded as revenues; consequently, no allowance for uncollectible taxes is considered necessary.

Expenditures are generally recognized when the related fund liability is incurred.

d. Operating Budgetary Data:

Because the District was created during 1997, a budget was not adopted for the initial period ended December 31, 1997.

BAYOU CAME FIRE PROTECTION DISTRICT
Houma, Louisiana

Notes to Financial Statements, Continued

December 31, 1997

a. **Encumbrances:**

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

2) **CASH AND INVESTMENTS**

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal offices in Louisiana or any other federally insured investments.

State law also requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes the FDIC 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 must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

The District's cash was not in excess of the FDIC insurance during 1997. There were no funds invested in securities during 1997.

3) **PROPERTY TAXES**

On May 3, 1997, the voters of the district approved a tax of ten (10) mills on the assessed value of all property within the District subject to taxation for a period of ten (10) years beginning in 1997. The District levied eight (8) of the authorized ten (10) mills for 1997. These taxes and the related state revenue sharing are budgeted for the year ending December 31, 1998 and are included as deferred revenue on the balance sheet as of December 31, 1997.

BAYOU CANE FIRE PROTECTION DISTRICT
Houma, Louisiana

Notes to Financial Statements, Continued

December 31, 1997

4) **COMMITMENTS AND SUBSEQUENT EVENTS**

On January 12, 1998, the District entered into a fire protection contract with the Bayou Cane Volunteer Fire Department (the Department). Under this contract, the Department will receive the net proceeds of the District's property tax millage in exchange for providing fire protection and related services and facilities to the District. The contract has a term of one year beginning on the date of the contract.

On February 9, 1996, the District entered into an employment contract with the District Superintendent for a period of five (5) years. The contract provides for a certain base salary and other benefits.

BAYOU CANE FIRE PROTECTION DISTRICT
HOUMA, LOUISIANA

Schedule of Per Diem Paid to Board Members

Period From February 7, 1997 (Inception) to December 31, 1997

<u>Board Member</u>	
Tommy Beason	\$ 240
Danny Gaudet	270
Billy Hobert	270
Tony Indovina	270
Wayne Rushing	<u>270</u>
	<u>\$ 1,320</u>

SUPPLEMENTARY FINANCIAL REPORTS

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Bayou Cane Fire Protection District Board
Houma, Louisiana

We have audited the financial statements of the Bayou Cane Fire Protection District as of and for the period from February 7, 1967 (inception) to December 31, 1997, and have issued our report thereon dated May 20, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Bayou Cane Fire Protection District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bayou Cane Fire Protection District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. We noted no matters involving the

internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Bayou Cane Fire Protection District Board, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

May 20, 1998

Bergeson + Lange

c. Identification of Major Programs:

CFOA Number(s)

Name of Federal Program or Cluster

Not applicable

Dollar threshold used to distinguish between Type A and Type B Programs:

Not applicable

Is the auditor a 'low-risk' auditor, as defined by OMB Circular A-133?

Yes No

Section II Financial Statement Findings

There were none.

Section III Federal Award Findings and Questioned Costs

Not Applicable.

BAYOU-GANE FIRE PROTECTION DISTRICT
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 1997

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

Not applicable.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not applicable.

SECTION III MANAGEMENT LETTER

Not applicable.

**BAYOU CANE FIRE PROTECTION DISTRICT
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended December 31, 1997**

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT

No findings were reported which require a response from management.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not applicable.

SECTION III MANAGEMENT LETTER

No management letter was issued.