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Obtain separately
SECURITY STATEMENTS
FORMS AND INSTRUCTIONS
FROM THE IRS

**DESOTO PARISH FIRE PROTECTION
DISTRICT NO. 5
STANLEY, LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS
WITH ACCOUNTANT'S COMPILATION REPORT
AND AGREED-UPON PROCEDURES REPORT**

As of and for the year ended
December 31, 1987

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or clerk of court, and other appropriate public officials. The report is available for public inspection at the Station House office of the Tax Assessor/Judge for said parish, or clerk of court, at the office of the parish clerk of court.

Release Date Jan 22 1988

Deborah D. Deen, MBA, CPA
122 Jefferson Street
Mandeville, Louisiana 70153
318-872-3007

DEBOTO PARISH FIRE PROTECTION DISTRICT NO. 6
Stanley, Louisiana

General Purpose Financial Statements
As of and for the Year Ended December 31, 1997

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Deborah D. Dees, MBA, CPA



102 JEFFERSON STREET • MONROE, LOUISIANA 70502 • (504) 872-9807 • FAX (504) 872-1257

CERTIFIED PUBLIC ACCOUNTANT

Accountant's Compilation Report

Board of Directors
DeSoto Parish Fire Protection District No. 5
Grenley, Louisiana

I have compiled the accompanying general purpose financial statements of DeSoto Parish Fire Protection District No. 5 as of and for the year ended December 31, 1997, as required by Louisiana Revised Statute 24:513. The general purpose financial statements are compiled in accordance with standards established by *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. I have not audited or reviewed the accompanying financial statements, and accordingly do not express an opinion or any form of assurance on them.

Deborah D. Dees, CPA

Certified Public Accountant
Monroe, Louisiana

June 22, 1998

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet
December 31, 1997

	GOVERNMENTAL FUND	ACCOUNT GROUP	TOTAL MEMORANDUM ONLY
	GENERAL FUND	GENERAL FUND ASSETS	
ASSETS AND OTHER DEBITS			
Cash	\$ 22,032	\$	\$ 22,032
Ad Valorem Taxes Receivable	75,000		75,000
State Revenue Sharing Receivable	1,442		1,442
Fixed Assets		446,833	446,833
TOTAL ASSETS	\$ 99,474	\$ 446,833	\$ 546,307
LIABILITIES AND FUND EQUITY			
TOTAL LIABILITIES: Accounts Payable	\$ 842	\$	\$ 842
Fund Equity:			
Investment in Fixed Assets		446,833	446,833
Fund Balance - Unreserved	99,128		99,128
TOTAL FUND EQUITY	\$ 99,128	\$ 446,833	\$ 545,961
TOTAL LIABILITIES AND FUND EQUITY	\$ 99,970	\$ 446,833	\$ 546,803

See accompanying notes and accountant's compilation report.

DESO TO PARISH FIRE PROTECTION DISTRICT NO. 9
Stanley, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 1997

REVENUES:

All Voluntary (cash)	\$	62,181
Intergovernmental Inquiries State Funds		
Revenue Sharing		1,442
Insurance Payable		3,084
Use of money/interest earnings		1,580
Other Revenues		475
TOTAL REVENUES		<u>68,662</u>

EXPENDITURES

Operations		5,120
Insurance		8,787
Administration		8,240
Capital Outlays		47,558
TOTAL EXPENDITURES		<u>71,684</u>

EXCESS OF REVENUES OVER EXPENDITURES

17,071

FUND BALANCE, BEGINNING OF YEAR

61,657

FUND BALANCE, END OF YEAR\$ 78,728

See accompanying notes and accountant's compilation report.

DESO TO PARISH FIRE PROTECTION DISTRICT NO. 8
Stanley, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1997

	BUDGET	ACTUAL	VARIANCE (FAVORABLE /UNFAVORABLE)
REVENUES			
Ad Valorem taxes	\$ 54,000	\$ 82,101	\$ 28,101
Intergovernmental revenue-State funds			
Revenue Sharing	4,500	1,440	(3,060)
Insurance rebate	2,500	3,294	794
Use of money/interest earnings		1,500	1,500
Other Revenues		475	475
TOTAL REVENUES	<u>61,000</u>	<u>88,804</u>	<u>27,804</u>
EXPENDITURES			
Operations	9,000	9,139	139
Insurance	10,000	9,767	233
Administration	11,000	9,240	1,760
Capital Outlays	32,000	47,508	(15,508)
TOTAL EXPENDITURES	<u>62,000</u>	<u>75,654</u>	<u>(16,346)</u>
EXCESS OF REVENUES OVER EXPENDITURES	3,000	13,271	10,271
FUND BALANCE, BEGINNING OF YEAR	<u>81,857</u>	<u>81,857</u>	
FUND BALANCE, END OF YEAR	<u>\$ 84,857</u>	<u>\$ 95,128</u>	<u>\$ 10,271</u>

See accompanying notes and accountant's compilation report.

DEBOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 1997

INTRODUCTION

DeBoto Fire Protection District No. 5 was created by the DeBoto Parish Police Jury, as authorized by Louisiana Revised Statute 40:1430 on April 18, 1888. The district is governed by a five-member board appointed in accordance to LRS 40:1438 as follows: two members by the police jury, two members by the Village of Stanley, and one by the other four members. Board members serve without compensation. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the DeBoto Parish Fire Protection District No. 5 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the DeBoto Parish Police Jury is the financial reporting entity for DeBoto Parish. The financial reporting entity consists of (a) the primary governmental (policy) 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 governmental unit 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 DeBoto 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. This criteria includes:

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
 - 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 financially 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 the district and has the ability to impose its will on the district, the district was determined to be a component unit of the DeBoto 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.

DESO TO PARISH FIRE PROTECTION DISTRICT NO. 6

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1997

C. FUND ACCOUNTING

The district 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 relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because that do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental and fiduciary. Governmental funds account for the district's general activities, including the collection and disbursement of receipts or legally obligated receipts, the acquisition or construction of general fund assets, and the servicing of general long-term debt. Governmental funds of the district include:

General Fund—the operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

The major source of revenue (all values taxes) is recognized when susceptible to accrual, i.e., when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures

Expenditures are generally recorded when the related fund liability is incurred, if measurable.

E. BUDGET

The district is required by state law to adopt an annual budget. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

A proposed budget is prepared by the governing board in November and made available for public inspection no later than 15 days prior to December 31, of each year. In open meeting prior to December 31, the budget

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 8
Starley, Louisiana
Notes to the Financial Statements
As of and for the Year Ended December 31, 1997

E. BUDGET (continued)

is adopted and becomes part of the official minutes of the District. The proposed budget for the General Fund is prepared on the modified accrual basis of accounting.

Once a budget is approved, it can be amended by approval of a majority of the Board. Amendments are presented at a regular open meeting for Board approval. The budget was amended during the year.

F. CASH

Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

At December 31, 1997, the district has cash in demand and interest-bearing demand deposits totaling \$22,602 (book balance). These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities issued by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 1997, the district has \$16,908 (book balance) in deposits. These deposits are secured from risk by \$400,000 of federal deposit insurance.

G. ACCOUNTS RECEIVABLE

The District carries all the receivables as collectible and does not record an allowance for doubtful accounts.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at actual historical cost. No depreciation has been provided on general fixed assets.

I. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum Only to indicate that they are 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.

DESO TO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1997

2. LEVIED TAXES

The District levies taxes on real and business personal property located within the boundaries of the District. Property taxes are levied by the District on property values assessed by the DeCade Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

Property Tax Calendar:

Assessment date	January 1, 1997
Levy date	June 28, 1997
Tax bills mailed	October 15, 1997
Total taxes due due	December 31, 1997
Penalties & interest added	January 31, 1998
Tax sale	May 15, 1998

The District has authorized and levied a 0.47 mills. This levy was renewed for the year 1998 and expires in the year 2007. All valuations are recorded in the year the taxes are assessed. The taxes are normally collected in December of the current year and January and February of the ensuing year. Total assessed value was \$5,859,901 in 1997. Louisiana state law exempted the first \$7,580 of assessed value of taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$1,680,000 in 1997. Total ad valorem tax revenues recognized in 1997 by the District was \$82,808.

The following are the principal taxpayers for the district:

Taxpayer	Assessed Value	Percentage of Total Assessed Value
Southwestern Electric	\$ 1,483,000	17.7%
Northwest Texas Electric	1,254,313	14.4%
Central La. Electric	507,718	6.2%
Phillips Petroleum Co.	410,341	4.3%
Southern Natural Gas	485,878	4.6%
Pioneer Natural Res USA	381,870	3.8%
IF N-S Assets, L.P.	285,800	3.2%
MCI Telecommunications Corp	280,760	3.0%
Texas Eastern Transmission	248,760	2.6%
Energas Company	176,000	2.0%
Total	<u>\$ 5,428,269</u>	<u>62.0%</u>

DEBOTO PARISH FIRE PROTECTION DISTRICT NO. 5
Stanley, Louisiana
Notice to the Financial Statements
As of and for the Year Ended December 31, 1997

3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance, January 1, 1997	Additions	Deductions	Balance, December 31, 1997
Fire equipment	\$ 344,582	47,558	39,508	352,632
Land & Buildings	99,073			99,273
Total	\$ 443,655	47,558	39,508	498,813

4. LITIGATION AND CLAIMS

The fire district is not involved in any litigation as of December 31, 1997, nor is it aware of any unasserted claims.

Independent Accountant's Report on Applying Agreed-Upon Procedures

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the Louisiana Governmental Audit Guide, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Independent Accountant's Report On Applying Agreed-Upon Procedures

Board of Directors
DeCade Parish Fire Protection District No. 5
Stanley, LA

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed upon by the management of DeCade Parish Fire Protection District No. 5 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about DeCade Parish Fire Protection District No. 5's compliance with certain laws and regulations during the year ended December 31, 1997, included in the accompanying Louisiana-Alabama Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I 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 \$50,000, and determine whether such purchases were made in accordance with LSA-RS 36:2211-2251 (the public bid law).

A review was made of the disbursement journal for the year. The review did not disclose any expenditures made for public works exceeding \$50,000. Two expenditures were made during the year for materials and supplies exceeding \$5,000. I examined documentation which indicated that the expenditures had been properly authorized and accepted in accordance with the provisions of LSA-RS 36:2211-2251.

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 42:1105-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

The Board provided me with the required list including the needed information.

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

The Board provided me with the required list.

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

A review of the disbursement journal did not indicate any employees.

Budgeting

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

Management provided me with a copy of the original budget for the general fund.

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

I traced the adoption of the original budget to the minutes of the meeting held on December 9, 1993. The budget was amended at a meeting held August 11, 1997.

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 5% or more.

LSR 05-1305-13-10 requires that the fire district adopt a budget amendment when revenues and other sources to date plus projected amounts for the remainder of the year are falling to meet budgeted amounts by five percent or more and/or when expenditures and other used to date plus project amounts for the remainder of the year are exceeding budgeted amounts by five percent or more. I 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%, except that expenditures for capital outlays were 48% in excess of amounts budgeted for the year.

BOAHD RESPONSE: The budget will be more closely monitored.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

a. trace payments to supporting documentation as to correct amount and payee;

I 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;

The payments were found to be coded to the correct fund and general ledger accounts.

- c. determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the selected disbursements indicated approvals from board members.

Meetings

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

DeCade Parish Fire Protection District No. 5 is required to post a notice of each meeting and the accompanying agenda on the door of the district's meeting place. There is no indication in the files that these notices were posted.

BOARD RESPONSE: The meeting times are posted on a "retroflex marquee sign" outside the building. The agenda notices will be posted on the building 24 hours prior to each meeting, and a dated copy will be kept in the files.

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 life indebtedness.

I 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 life indebtedness.

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.

A reading of the minutes of the district for the year indicated no approval for the payments noted.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of DeCade Fire Protection District No. 5 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.

Robert A. Allen, CPA

Monroe, Louisiana

June 22, 1998

Louisiana Attestation Questionnaire

The accompanying Louisiana Attestation Questionnaire has been completed by management and is included in this report as required.