

STATE OF CALIFORNIA
DEPARTMENT OF FIRE SERVICES
MARCH 1980

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

FINANCIAL REPORT
December 31, 1976 and 1975

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the parish or minister, and by another separate copy public officials. This 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 AUG 13 1987

Northbrook Parish
Fire Protection District No. 3
Financial Report
December 31, 1986 and 1996

TABLE OF CONTENTS

	Page
Accountant's Compilation Report on the Financial Statements	i
Component Unit Financial Statements <u>Combined Statements - Division</u>	
Combined Balance Sheet - Fund Type and Account Groups	3
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund	4
Notes to Financial Statements	8-11

Johnson, Thomas & Cunningham

Chartered Accountants

Ken W. Johnson, C.P.A., A Professional Corporation

Paul D. Thomas, C.P.A., A Professional Corporation

Ray A. Cunningham, C.P.A., A Professional Corporation

200 Grand View

Metairie, Louisiana 70002

(504) 885-6677

TELETYPE: 885-6677

To the Board of Commissioners of the
Natchitoches Parish Fire District No. 2

We have compiled the accompanying general purpose financial statements of the Natchitoches Parish Fire District No. 2, a component unit of the Natchitoches Parish Police Jury, as of December 31, 1996 and 1995 and for the years then ended, in accordance with Statements on Standards for Accounting and Review Services 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 method 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 the District's 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. However, we did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

The District's financial statements do not contain a budgetary comparison for revenues and expenditures as discussed at note 2 under Budgetary Practices.

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

August 1, 1997

Natchitoches, LA 71402

COMPONENT UNIT FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

Natchitoches Parish Fire
Protection District No. 2

Combined Balance Sheet- Fund Type and Account Group
December 31, 1990 and 1991

	Governmental	Account Group	Totals	
	Fund Type	General	(Memorandum Only)	
	General Fund	Fund Assets	1990	1991
ASSETS:				
Cash	\$ 59,184	\$ 0	\$ 59,184	\$ 71,230
Property Taxes Receivable	23,880	0	23,880	24,047
Buildings	0	0	0	0
Equipment	0	3,510	3,510	3,900
Fire Truck	0	1,638	1,638	4,630
Total Assets	\$23,480	\$5,148	\$122,080	\$105,807
LIABILITIES AND FUND EQUITY:				
Liabilities-				
Accounts Payable	\$ 2,020	\$ 0	\$ 2,020	\$ 855
Total Liabilities	\$ 2,020	\$ 0	\$ 2,020	\$ 855
Fund Equity-				
Unreserved Fund Balance	\$21,460	\$ 0	\$21,460	\$ 96,980
Investment in General Fund Assets	0	5,148	5,148	8,540
Total Fund Equity	\$21,460	\$5,148	\$122,080	\$105,807
Total Liabilities and Fund Equity	\$23,480	\$5,148	\$122,080	\$105,807

See accountants' compilation report.

Natchitoches Parish Fire
Protection District No. 2

Statement of Revenues, Expenditures and Changes in Fund Balance—
General Fund
Years Ended December 31, 1996 and 1995

	1996	1995
REVENUES:		
Taxes	\$ 27,583	\$21,296
Other	<u> 3,934</u>	<u> 3,446</u>
Total Revenues	\$ <u>31,517</u>	\$24,742
EXPENDITURES:		
General Government	\$ 4,286	\$ 3,293
Public Safety	<u> 3,363</u>	<u> 3,325</u>
Total Expenditures	\$ <u>7,649</u>	\$ 6,618
Excess (Deficiency) of Revenues over Expenditures	\$ 23,868	\$18,124
Fund Balance— Beginning of Year	<u> 5,462</u>	<u> 5,718</u>
Fund Balance— End of Year	\$29,336	\$23,842

See accountants' compilation report.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Fire
Protection District No. 3

Notes to Financial Statements
December 31, 1996 and 1995

1. **The Reporting Entity:**

Fire Protection District No. 3, 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. 3 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. 3, 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. 3, 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. 3 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 24:317.

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. 3 established criteria for determining which component units should be considered part of the Natchitoches Parish Police Jury for financial reporting purposes. The basic criterion 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. 3

Notes to Financial Statements
December 31, 1996 and 1995

- 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. 3, 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. 3 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 Fund Assets Account Group, rather than in the general fund.

Northbrook Parish Fire
Protection District No. 3

Notes to Financial Statements
December 31, 1996 and 1995

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 to 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 Northbrook Parish Fire Protection District No. 3 does not employ the use of "encumbrance accounting".

Total Columns on Combined Statements-Overview:

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

Budgetary Practices:

All records including adopted budgets, if any, were totally destroyed by fire. Because of this loss, we will be unable to present budgeted figures in a comparison with actual revenues and expenditures for both periods under review.

Investments:

The District does not have any investments other than cash invested in interest bearing checking accounts.

3. Pension Plan

The District is not a member of any retirement plan.

Natchitoches Parish Fire
Protection District No. 3

Notes to Financial Statements
December 31, 1996 and 1995

4. **General Fixed Assets:**

A summary of changes in general fixed assets follows:

	Balance 1-1-95	1995 Additions	1995 Deletions	1996 Additions	1996 Deletions	Balance 12-31-96
Buildings	\$ 0	\$ 0	18	50	50	\$ 0
Fire Equipment	2,175	1,517	0	0	0	3,692
Fire Truck	5,600	—	0	0	0	5,600
Total	\$2,825	\$1,517	18	50	50	\$4,322

5. **Liabilities:**

The District is not a party in any litigation seeking damages for the years ended December 31, 1996 and 1995.

6. **Related Party Transactions:**

The District had no related party transactions for the years ended December 31, 1996 and 1995.

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. 3. Property taxes are levied 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. 3

Notes to Financial Statements
December 31, 1998 and 1997

	Category 1	Category 2	Category 3
Cash:			
Checking Account	\$ 2,179	90	90
H.F. Account	82,468	0	0
Total Cash	84,647	90	90

10. Timely Submission of Financial Statements:

We note that Fire District No. 3 is in violation of Louisiana Revised Statute (LSA-R.S.) 24:514, which requires all governmental entities to provide the legislative auditor with sworn annual financial statements within 90 days of the entity's fiscal year-end, unless the District enters into a timely audit agreement with a certified public accountant and the engagement agreement includes the period of the required financial statements.

During the engagement process, it came to our attention that the Fire District No. 3's records were totally destroyed by fire, thus causing delays in the reporting process.