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FINANCIAL STATEMENTS AND ACCOUNTANT'S CERTIFICATION REPORT

FIRE PROTECTION GRANT OF
BAYOU LA TERRE VOLUNTEER FIRE DEPARTMENT
(RECEIVED FROM ASSUMPTION PARISH POLICE JURY)
Bayou La Terre, Louisiana
December 31, 1997

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, orally and other appropriate public officials. The report is available for public inspection at the State House of Representatives of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 02/16/99

Wagnonack & Associates (APAC)
Certified Public Accountants
P. O. Box 980
Belle Meade, LA 70411
504-473-0000

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FINANCIAL STATEMENTS AND ACCOUNTANTS' COMPLIANCE REPORT

**FIRE PROTECTION GRANT OF
RAYMOND L. STUBBS VOLUNTEER FIRE DEPARTMENT
(RECEIVED FROM ASSOCIATION PARISH POLICE JURY)**

Rayon L. Stubs, Louisiana

December 31, 1997

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Commissioners of
Bayou Launce Volunter Fire Department
Bayou Launce, Louisiana

We have compiled the accompanying fire protection grant financial statements of Bayou Launce Volunter Fire Department received from Assumption Parish Police Jury, Bayou Launce, Louisiana, as of and for the year ended December 31, 1997, 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.

As discussed in Note A, the financial statements present only the fire protection grant from Assumption Parish Police Jury and are not intended to present fairly the financial position and results of operations of Bayou Launce Volunter Fire Department, in conformity with generally accepted accounting principles.

Waguespack & Associates (smc)

Belle Rose, Louisiana
June 22, 1998

**FIRE PROTECTION GRANT OF
BAYOU LAKEUR VOLUNTEER FIRE DEPARTMENT
(RECEIVED FROM ASSOCIATION FARMER POLICE JURY)
Bayou LaLar, Louisiana**

BALANCE SHEET - FIRE PROTECTION GRANT

December 31, 1997

(See Accountant's Compilation Report)

| | Special Revenue Fund/Fire Protection Grant | General Fund Assets Assigned With Grant Funds | General Long-Term Debt To Be Paid With Grant Funds | Total (Microcomputer Only) |
|--|--|---|---|----------------------------------|
| ASSETS AND OTHER DEBITS | | | | |
| <i>Assets:</i> | | | | |
| Cash and cash equivalents | \$ 30,994 | \$ - | \$ - | \$ 30,994 |
| Receivable-Fire Protection Grant | 151 | - | - | 151 |
| General Fund Assets-Grant: Fire protection equipment | - | 274,129 | - | 274,129 |
| Amount to be provided for retirement of general long-term debt | - | - | 52,297 | 52,297 |
| TOTAL ASSETS AND OTHER DEBITS | \$ 31,145 | \$ 274,129 | \$ 52,297 | \$ 360,561 |
| LIABILITIES, EQUITY AND OTHER CREDITS | | | | |
| <i>Liabilities:</i> | | | | |
| Accounts payable | \$ 560 | \$ - | \$ - | \$ 560 |
| Long-term obligations payable | - | - | 52,297 | 52,297 |
| TOTAL LIABILITIES | 560 | - | 52,297 | 52,857 |
| <i>Equity and Other Credits:</i> | | | | |
| Residuals in general fund/assets grant funds | - | 274,129 | - | 274,129 |
| Fund balance-carrierment, undesignated | 58,512 | - | - | 58,512 |
| TOTAL EQUITY AND OTHER CREDITS | 58,512 | 274,129 | - | 332,641 |
| TOTAL LIABILITIES, EQUITY AND OTHER CREDITS | \$ 64,072 | \$ 274,129 | \$ 52,297 | \$ 360,561 |

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION GRANT OF
 BAYOU LAURENCE VOLUNTEER FIRE DEPARTMENT
 (RECEIVED FROM ASSUMPTION PARISH POLICE JURY)
 Bayou Launce, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET BASIS AND ACTUAL -
 SPECIAL REVENUE FUND -
 FIRE PROTECTION GRANT
 For the Year Ended December 31, 1997
 (See Accountant's Completion Report)**

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|------------------|------------------|--|
| REVENUES | | | |
| Inter governmental revenues: | | | |
| Fire protection grant from Assumption Parish Police Jury | \$ 65,000 | \$ 65,000 | \$ 0 |
| Fire insurance rebate | 6,000 | 6,017 | 17 |
| Use of money and property- | | | |
| Interest earnings | 800 | 940 | 140 |
| Other revenues | - | 121 | 121 |
| TOTAL REVENUES | 71,800 | 78,178 | 6,378 |
| EXPENDITURES | | | |
| Current operating | | | |
| Public safety | 29,254 | 30,711 | (1,457) |
| Capital outlay | | | |
| Public safety | 11,000 | 10,711 | (289) |
| Debt service | | | |
| Principal | 11,900 | 11,943 | 43 |
| Interest | 4,000 | 4,000 | - |
| TOTAL EXPENDITURES | 56,154 | 57,365 | (8,789) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 15,646 | 20,813 | 5,167 |
| FUND BALANCE AT BEGINNING OF YEAR | 31,340 | 31,341 | 1 |
| FUND BALANCE AT END OF YEAR | \$ 46,986 | \$ 52,154 | \$ 5,168 |

The accompanying notes are an integral part of this statement.

**FIRE PROTECTION GRANT BY
HAYNESVILLE VOLUNTEER FIRE DEPARTMENT
(RECEIVED FROM ASSUMPTION PARISH POLICE JURY)
Bayou L'Anne, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1995**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fire Protection Grant of Bayou L'Anne Volunteer Fire Department received from Assumption Parish Police Jury have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the fire department's accounting policies are detailed below.

FINANCIAL REPORTING ENTITY - On April 15, 1994, the Assumption Parish Police Jury entered into a grant agreement with Bayou L'Anne Volunteer Fire Department of Assumption Parish. The fire protection grant was for the purpose of acquiring, maintaining, and operating buildings, machines, water tanks, water hydrants, water lines and any other things necessary to provide proper fire protection and control of the property within the boundaries of the department.

The volunteer fire department is a privately created quasi-public institution that is subject to the grant provisions of its funding agency. The board members are not appointed by the police jury. The volunteer fire department is not fiscally dependent on the police jury and the nature and significance of their relationship with the police jury is not such that their resolution would render the police jury's financial statements incomplete or misleading. Therefore, the volunteer fire department is a separate special purpose government.

The accompanying financial statements present information only on the fire protection grant received by the fire department from the Assumption Parish Police Jury and do not present information on the Police Jury, the general government services provided by that governmental unit, and other governmental units that comprise the Police Jury's reporting entity, nor any other non-grant funds received by the fire department. Bayou L'Anne Volunteer Fire Department of Assumption Parish has no component unit.

FUND ACCOUNTING - The fire department is organized and operated on the basis of a fund and account group whereby a separate, self-balancing set of accounts is maintained that comprises its assets, liabilities, fund equity, revenues, and expenditures.

SPECIAL REVENUE FUND - The special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

MEMORANDUM ONLY-TOTAL COLUMN - The total column on the balance sheet is captioned Memorandum Only (overview) to indicate that it is generated only to facilitate financial analysis. Data in this column does not conform financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

BASIS OF ACCOUNTING - Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting refers to the timing of the measurement made, regardless of the measurement basis applied. The fire department's records are maintained on a cash basis of accounting. However, the fund, as reported in the accompanying financial statements, has been converted to a modified accrual basis of accounting using the following practices in recording revenues and expenditures:

**FIRE PROTECTION DISTRICT OF
BATON L'OUISSE VOLE (INTER FIRE DEPARTMENT
(RECEIVED FROM ASSOCIATION PARISH POLICE JURY)
Baton L'ouisse, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1993**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenues are recognized in the accounting period in which they become receivable or earned, that is when they become measurable and available to finance expenditures of the fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

BUDGET PRACTICE - The fire department adopts an annual budget based on anticipated revenues consistent with generally accepted accounting principles. Annual appropriations of funds are not made. Budgetary accounts are not integrated in the financial accounting system. Incidental year accounting is not followed because of the small number of transactions involved.

CASH AND CASH EQUIVALENTS - For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit. Amounts are classified as cash equivalents if the original maturities are 90 days or less. Under state law, the department may deposit funds within a fiscal agency bank organized under the laws of the State of Louisiana and national banks having their principal offices in Louisiana. Further, the department may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

GENERAL FIXED ASSETS AND LONG-TERM LIABILITIES - Fixed assets are accounted for in the general fixed asset account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical costs. The account group is not a fund. It is concerned only with the measurement of financial position and does not involve measurement of results of operations. It is the policy of the department not to capitalize interest. As the department has no infrastructure assets, an accounting policy for infrastructure assets has been adopted.

PENSION PLAN AND VACATION AND SICK LEAVES - All members of the fire department are volunteers. Therefore, the fire department does not contribute to a pension plan and does not have a formal vacation and leave policy.

NOTE B - CASH AND CASH EQUIVALENTS

At December 31, 1993, the department had cash and cash equivalents totaling (bank balances) \$24,094 at December 31, 1993. Cash and cash equivalents are stated at cost, which approximates market. The following is a summary of cash and cash equivalents (bank balances) at December 31, 1993, with the related fiducial deposit insurance:

**FIRE PROTECTION GRANT OF
RAYON LIQUOR VOLUNTEER FIRE DEPARTMENT
(RECEIVED FROM ASSOCIATION PARISH POLICE JURY)
Bayou La Loutre, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1997**

NOTE B - CASH AND CASH EQUIVALENTS - CONTINUED

| | |
|----------------------------------|------------------|
| Interest-bearing demand deposits | \$ 38,968 |
| Federal deposit insurance | \$ 38,968 |
| Total resources | <u>\$ 77,936</u> |

NOTE C - CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in fixed assets.

| | (BALANCE) 12-31-96 | ADDITIONS | DELETIONS | (BALANCE) 12-31-97 |
|--|-----------------------|------------------|-----------------|-----------------------|
| Fire protection facilities and equipment | <u>\$ 294,434</u> | <u>\$ 79,470</u> | <u>\$ _____</u> | <u>\$ 373,904</u> |

NOTE D - LITIGATION AND CLAIMS

There are no claims or litigation pending against the fire department at December 31, 1997 according to management of the fire department.

NOTE E - CAPITAL LEASE

Bayou Laoutre Volunteer Fire Department entered into a lease purchase agreement during 1997 for the acquisition of a fire truck. The terms of the agreement require eight (8) annual payments of \$29,544 at 6.71% per year interest. The following is a schedule by year, of future minimum lease payments under a capital lease arrangement with the present value of the net minimum lease payments as of December 31, 1997.

**FIRE PROTECTION GRANT OF
NATIONAL FIREWORKS ASSOCIATION FIRE DEPARTMENT
(RECEIVED FROM ASSUMPTION FIRE INSURANCE COMPANY)
Bayou Vista, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 1997**

NOTE B - CAPITAL LEASES - CONTINUED

| | |
|--|--------------------|
| 1998 | \$ 28,344 |
| 1999 | 28,344 |
| 2000 | <u>28,344</u> |
| Total minimum lease payments | 65,032 |
| Less amount representing interest | <u> 9,112</u> |
| Present value of net minimum lease payments | <u>\$ 55,920</u> |

**REPORT AND ACCOMPANYING QUESTIONNAIRE REQUIRED BY
THE LEGISLATIVE AUDITOR, STATE OF LOUISIANA**

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLICABLE AGREES-UPON PROCEDURES**

To the Board of Commissioners of
Bayou La Batre Volunteer Fire Department
Bayou La Batre, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and summarized below, which were agreed to by the management of Bayou La Batre Volunteer Fire Department and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Bayou La Batre Volunteer Fire Department's compliance with certain laws and regulations during the period ended December 31, 1999 included in the accompanying Louisiana Assertion 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 purposes for which this report has been requested or for any other purposes.

PUBLIC DEBT

1. Select all expenditures made during the year for material and supplies exceeding \$1,000, or public works exceeding \$25,000, and determine whether such purchases were made in accordance with LSA-RS 38:1211-1211.1 (the public bid law).

We noted one payment for a capital utility project which exceeded \$1,000 but was less than \$25,000. We examined the documentation which indicated that the expenditures associated with this project had been bid properly and accepted in accordance with the provisions of LSA-RS 38:1211-1211.1. No expenditures were made during the year for public works exceeding \$25,000.

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 42:104-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

All members and commissionees of the fire department are volunteers. Therefore, the fire department had no employees during the period under examination.

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

Management provided us with the required list including the stated information.

4. Determine whether any of those employees included in the listing obtained from management in special-order procedure (3) were also included in the listing obtained from management in regular-order procedure (1) as immediate family members.

As indicated in procedure (3), there were no employees during the period under examination. Thus, this procedure would not be applicable.

BUDGETING

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

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

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

We traced the adoption of the original and amended budgets to the minutes which indicated the budgets had been adopted by the Commissioners of the Bayou County Veterans Fire Department.

7. Compare the revenues and expenditures of the final budget to actual revenues or expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures did exceed budgeted amounts by more than 5%; however, the fund balance was not budgeted in final current year expenditures.

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

Each disbursement appeared to be correctly coded.

- (c) determine whether payments received approval from proper authority.

Inspection of documentation supporting each of the six selected disbursements indicated approval from the treasurer. In addition, the treasurer's report was filed to the fire department minutes when the report was approved by the commissioners.

MEETINGS

9. Examined evidence indicating that agendas for meetings conducted in the private bank were posted or advertised as required by LSA-RS 42:1 through 42:13 (the open meetings law).

The Bayou Liante Volunteer Fire Department posts a notice and accompanying agenda of each meeting on the station door. Management has asserted that such documents were properly posted.

BANK

10. Examined bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or life settlements.

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

ADVANCES AND BENEFITS

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

The fire department did not employ any employees for the year and a reading of the returns of the fire department did not indicate any such payments made to the volunteer members.

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 the management of Bayou Liante Volunteer Fire Department and the Legislative Audit, State of Louisiana, and should not be used by those who have not agreed to the procedures and take responsibility for the sufficiency of the procedures for their purpose. However, this report is a matter of public record and its distribution is not limited.

Wagnerpark & Associates (APAC)

Billy Rose, Louisiana
June 22, 1998

LOUISIANA ATTESTATION QUESTIONNAIRE

January 30, 1998 Date

Whitcomb & Associates (Attor)
Certified Public Accountants
P.O. Box 901
Metairie, La. 70002 (Auditors)

In connection with your completion of our financial statements as of December 31, 1997 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of January 30, 1998 (date).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or process, from anyone that would constitute a violation of LSA-RS 42:1105-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1118.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 38:1307-14) or the budget requirements of LSA-RS 38:43.

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:2, 44:31, and 44:38.

Yes No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 24:515, and/or 24:52, as applicable.

Yes No

We have had our financial statements audited or compiled in accordance with LSA-RS 24-573.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes No

Date

It is true we have not incurred any indebtedness, other than credit for 60 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VI, Section 8 of the 1874 Louisiana Constitution, Article VI, Section 32 of the 1894 Louisiana Constitution, and LSA-RS 47:1412-46.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VI, Section 14 of the 1874 Louisiana Constitution, LSA-RS 14:118, and AG opinion 76-726.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any considerations to the foregoing representatives. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Yvonne D. Boudreau Secretary 1-14-98 Date
Samuel J. Boudreau Treasurer 1-13-98 Date
Curtis R. Kelly JR President 1-16-98 Date

Not-for-profit public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state sector loan funds.