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SECURITY INFORMATION

South Bossier Parish Fire District No. 2
Erie Grove, Louisiana

General Purpose Financial Statements

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 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 29 1988

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South Cassin Parish Fire District No. 2
Els Grove, Louisiana

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Independent Auditor's Report

Board of Commissioners
South Bossier Parish Fire District No. 2

We have audited the accompanying general purpose financial statements of the South Bossier Parish Fire District No. 2, a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the South Bossier Parish Fire District No. 2's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the South Bossier Parish Fire District No. 2, as of December 31, 1997, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 4, 1998 on our consideration of South Bossier Parish Fire District No. 2's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.



Cook & Monheart
Certified Public Accountants
May 4, 1998

South Bossier Parish Fire District No. 2
 Elm Grove, Louisiana
 Combined Balance Sheet -- All Fund Types and Account Groups
 December 31, 2017

	Governmental Fund Types		Account Groups		Total (Memorandum Data)
	General	Debt Service	General Fund Assets	General Long-Term Debt	
Assets					
Cash	\$ 164,630	\$ 68,295	\$ --	\$ --	\$ 232,925
Receivables -- all subdivisions	122,746	126,068	--	--	248,814
Property and equipment	--	--	2,155,290	--	2,155,290
Amount available in debt service funds	--	--	--	186,230	186,230
Amount to be provided for retirement of general long-term debt	--	--	--	879,782	879,782
Total assets	<u>\$ 287,376</u>	<u>\$ 294,363</u>	<u>\$ 2,155,290</u>	<u>\$ 1,076,012</u>	<u>\$ 3,733,041</u>
Liabilities and Fund Equity					
Liabilities					
Accounts payable and accrued expenses	\$ 4,888	\$ 4,829	\$ --	\$ --	\$ 9,717
General obligation bonds payable	--	--	--	1,875,000	1,875,000
Total liabilities	<u>4,888</u>	<u>4,829</u>	<u>--</u>	<u>1,875,000</u>	<u>1,884,717</u>
Fund equity:					
Investment in general fund assets	--	--	2,055,290	--	2,055,290
Fund balances -- Reserved for debt service	--	186,230	--	--	186,230
Unreserved/unobligated	303,582	--	--	--	303,582
Total fund equity	<u>303,582</u>	<u>186,230</u>	<u>2,055,290</u>	<u>--</u>	<u>2,545,102</u>
Total liabilities and fund equity	<u>\$ 308,470</u>	<u>\$ 291,059</u>	<u>\$ 2,055,290</u>	<u>\$ 1,875,000</u>	<u>\$ 3,733,041</u>

The accompanying notes are an integral part of this statement.

South Bossier Parish Fire District No. 2
Fire Station, Louisiana
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
All Governmental Fund Types
For the Year Ended December 31, 1997

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Total</u>
Revenues:			
All valuations taxes	\$ 122,712	\$ 104,579	\$ 227,291
Intergovernmental- fire insurance rebates	8,858	-	8,858
Interest income	8,238	1,984	10,222
Miscellaneous income	2,342	-	2,342
Total revenues	<u>141,950</u>	<u>106,563</u>	<u>248,513</u>
Expenditures:			
Current -			
General government	3,682	4,028	7,710
Public safety	88,162	-	88,162
Capital outlay	36,303	-	36,303
Debt service			
Principal retirement	-	68,000	68,000
Interest and fiscal charges	-	68,738	68,738
Paying agent fee	-	638	638
Total expenditures	<u>127,925</u>	<u>137,399</u>	<u>265,324</u>
Excess of revenues over expenditures	14,025	-3,178	10,847
Fund balances at beginning of year	288,841	163,898	452,739
Fund balances at end of year	<u>\$ 302,866</u>	<u>\$ 160,720</u>	<u>\$ 463,586</u>

The accompanying notes are an integral part of this statement.

South Bossier Parish Fire District No. 2
 Ciro Grove, Louisiana
 Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Budget (Both Sides) and Actual
 General Fund
 For the Year Ended December 31, 1987

	General Fund		
	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Ad valorem taxes	\$ 109,808	\$ 118,644	\$ 8,836
Intergovernmental-			
fire insurance rebate	5,808	6,658	850
Interest income	7,500	8,758	1,258
Miscellaneous income	2,800	2,342	(458)
Total revenues	<u>127,916</u>	<u>137,402</u>	<u>9,486</u>
Expenditures:			
General government	-	3,624	(3,624)
Public safety	86,807	90,293	3,486
Capital outlay	35,300	35,300	-
Total expenditures	<u>122,107</u>	<u>129,217</u>	<u>7,110</u>
Excess of revenues over under expenditures	\$ 5,809	8,185	2,376
Fund balances - January 1, 1987	5,800	175,207	169,407
Fund balances - December 31, 1987	<u>\$ 11,619</u>	<u>\$ 183,392</u>	<u>\$ 71,783</u>

The accompanying notes are an integral part of this statement.

South Bossier Parish Fire District No. 2
The Cove, Louisiana
Notes to Financial Statements
December 31, 1997

(I) Summary of Significant Accounting Policies

The South Bossier Parish Fire District No. 2 was created by the Bossier Parish Police Jury, as authorized by Louisiana Revised Statute 40:1482, on June 13, 1988 by ordinance number 1112. The district is governed by a five member board of commissioners appointed by the Bossier Parish Police Jury. The Board of Commissioners received no compensation during 1997. The district is responsible for maintaining and operating fire stations and equipment, and providing fire protection within the boundaries of the district.

A. Basis of Presentation

The accompanying general purpose financial statements of the South Bossier Parish Fire District No. 2 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 government accounting and financial reporting principles.

B. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Bossier Parish Police Jury is the financial reporting entity for Bossier 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 the 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 (GASB) Statement No. 14 established criteria determining which general purposes should be considered part of the Bossier Parish/Police Jury for financial reporting purposes. The basic criterion for including a potential general purpose within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. The criteria include:

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 under
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

(Continued)

South Bossier Parish Fire District No. 2
Eun Grove, Louisiana
Notes to Financial Statements
(Continued)
December 31, 1997

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 the district, appoints certain commissioners of the district, and has the ability to impose its will on the district, the district was determined to be a general purpose of the Bossier 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.

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 related 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 reported in the funds because they do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds and account groups used by the district include:

1. **General Fund** – the general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.
2. **Debt Service Fund** – accounts for transactions relating to resources retained and used for the payment of principal, interest, and other related costs on those long-term obligations recorded in the general long-term debt account group.

(Continued)

South Bossier Parish Fire District No. 2
Eun Grove, Louisiana
Notes to Financial Statements
(Continued)
December 31, 1997

3. General Fixed Assets Account Group - is used to account for fixed assets used in governmental fund type operations for control purposes.
4. General Long-Term Debt Account Group - is used to account for long-term liabilities to be financed from government 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 district uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1503 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January and February of the current year.

Other intergovernmental revenues are recorded when the district is entitled to the funds. Interest income on demand and time deposits are recorded when the interest has been earned and the amount is determinable.

Expenditures

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

(Continued)

South Bossier Parish Fire District No. 2
 Elm Street, Louisiana
 Notes to Financial Statements
 (Continued)
 December 31, 1997

E. Budgets

The district uses the following budget provisions:

1. A preliminary budget for the ensuing year is prepared by the Fire Chief and Officers of the District prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year.
2. After completion of all action necessary to finalize and implement the budget, the budget is adopted by the Board of Commissioners.
3. All budgetary appropriations lapse at the end of each fiscal year.
4. The budget is established and controlled by the board of commissioners at the object level of expenditures. All changes in the budget must be approved by the board.
5. The budget is adopted on a cash basis for the general fund. There were two amendments to the 1997 budget which are reflected in the accompanying budgetary financial statements.

Budget comparison statements included in the accompanying financial statements include the original and adopted budgets and all subsequent amendments. The schedule below reconciles excess of revenues and other sources over expenditures and other uses on page 4 (budget basis) with the amounts shown on page 3 (GAAP basis):

	General Fund
Excess of revenues and other sources over expenditures and other uses (budget basis)	1 8,701
Adjustments:	
Revenue accruals - net	4,868
Expenditure accruals - net	(2,865)
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	1 12,691

(Continued)

South Bossier Parish Fire District No. 2
Erie Grove, Louisiana
Notes to Financial Statements
(Continued)
December 31, 1987

F. Encumbrances

Encumbrance accounting is employed as an extension of the formal budgetary process. Under this method, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Any encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. There were no encumbrances outstanding at December 31, 1987.

G. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits with original maturities of 90 days or less. 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 or any other state of the United States, or under the laws of the United States.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

H. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

I. Compensated Absences

Full-time employees of the district earn 10 days of vacation leave each year. Vacation and sick leave do not accumulate.

As December 31, 1987, employee leave benefits requiring recognition were determined to be immaterial and are not included within the general long-term obligations account group. The cost of leave privileges, computed in accordance with the above guidelines, is recognized as a current-year expenditure within the various funds when leave is actually taken.

(Continued)

South Bossier Parish Tax District/No. 2
Cen. Grove, Louisiana
Notes to Financial Statements
(Continued)
December 31, 1997

J. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

K. Total Columns on Statements

Total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in those columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(B) Levied Taxes

The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Operating	10.00	10.00	2007
Debt Service	variable	11.00	2008

(Continued)

South Bossier Parish Fire District No. 2
 Elm Grove, Louisiana
 Notes to Financial Statements
 (Continued)
 December 31, 1997

(3) Cash and Cash Equivalents

At December 31, 1997, the district has cash and cash equivalents (bank balances) totaling \$250,898 in demand deposits and interest bearing demand deposits.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned 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. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1997, the district had \$254,212 in deposits (collected bank balances). These deposits are secured from risk by \$101,486 of federal deposit insurance and \$152,726 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 18 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

(4) Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance 12-31-95	Additions	Retirements	Balance 12-31-97
Land	\$ 25,130	\$ --	\$ --	\$ 25,130
Buildings	624,871	8,815	--	633,686
Equipment	1,575,840	26,288	1 13,553	1,608,680
Total general fixed assets	<u>\$ 2,125,840</u>	<u>1 35,203</u>	<u>1 13,553</u>	<u>\$ 2,158,290</u>

Included in fixed assets are \$14,567 of fixed asset additions purchased through the Rural Development program of the Bossier Parish Police Jury on behalf of the district.

(Continued)

South Bossier Parish Fire District No. 3
 Elm Grove, Louisiana
 Notes to Financial Statements
 (Continued)
 December 31, 1997

(E) Pension Plan

The employees of the district are members of the Social Security System. There are no other retirement plans available to the employees of the district.

(F) Changes in General Long-Term Debt

The following is a summary of general obligation bond transactions of the South Bossier Parish Fire District No. 3 for the year ended December 31, 1997:

	<u>Balance</u> <u>12-31-96</u>	<u>Payments</u>	<u>Balance</u> <u>12-31-97</u>
General Obligation Bonds	<u>11,128,080</u>	<u>2,400,000</u>	<u>11,028,080</u>

Bonds payable at December 31, 1997 are comprised of the following individual issues:

General obligation bonds -

\$1,308,080 - 1983 bonds for acquisition of buildings, machinery, and equipment due in annual installments of \$58,080 to \$140,000 through March 1, 2009; interest rates of 8.48 to 10.00 percent. The debt redemption is paid from the Debt Service Fund. At December 31, 1997, the amount of funds available to service the General Obligation bonds is \$198,238.

11,028,080

The annual requirements to amortize all debt outstanding as of December 31, 1997, including interest payments of \$438,672 for the General Obligation Bonds are as follows:

<u>Year Ending</u> <u>December 31,</u>			
1998	4	128,947	
1999		131,085	
2000		131,888	
2001		132,328	
2002		132,193	
2003 - 2004		211,982	
2005 - 2008		<u>857,339</u>	
		<u>\$ 1,801,672</u>	

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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 Members of the
Board of Commissioners
South Bosser Parish Fire District No. 2

We have audited the financial statements of South Bosser Parish Fire District No. 2 as of and for the year ended December 31, 2007, and have issued our report thereon dated May 4, 2008. 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 South Bosser Parish Fire District No. 2'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 South Bosser Parish Fire District No. 2'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 management, the Board of Commissioners and the various funding sources of the organization. This restriction is not intended to limit the distribution of this report.



Cook & Merchant

Cash & Merchants
Certified Public Accountants

May 4, 1998

South Bossier Parish Fire District No. 2
Elin Grove, Louisiana
Summary Schedule of Audit Findings
December 31, 1997

Summary Schedule of Prior Audit Findings

There were no findings or management letter comments for the prior year audit for the year ended December 31, 1996.

Corrective Action Plan for Current Year Audit Findings

There were no findings or management letter comments for the current year audit for the year ended December 31, 1997.