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**LAFOURCHE PARISH FIRE  
PROTECTION DISTRICT NO. 1  
RACELAND, LOUISIANA**

**COMPILATION REPORT AND  
AGREED UPON PROCEDURES REPORT**

**AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 1998**

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 ~~MAR 3 1 1999~~



STAGNI & COMPANY, LLC

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

*General Purpose Financial Statements  
As of and for the Year Ended December 31, 1998*

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# ***FINANCIAL SECTION***



# STAGNI & COMPANY, LLC

Board of Commissioners  
Lafourche Parish Fire Protection District No. 1  
Raceland, Louisiana

We have compiled the accompanying general purpose financial statements of the Lafourche Parish Fire Protection District No. 1, a component unit of the Lafourche Parish Council, as of and for the year ended December 31, 1998 as listed in the financial section of the table of contents, 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 general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Stagni & Company, LLC*

Thibodaux, Louisiana  
February 4, 1999

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# LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 1

Combined Balance Sheet - All Fund Types and Account Groups  
December 31, 1998

	Governmental Fund Types			Account Groups		Totals (Memorandum Only)
	General	Debt Service	Capital Projects	General Fixed Assets	General Long Term Debt	
<b><u>ASSETS AND OTHER DEBITS</u></b>						
Cash and Investments	\$89,757	\$15,678	\$ 180,854			\$286,289
Ad valorem taxes receivable	15,406	9,044				24,450
Due from other governmental units	94,352	55,389				149,741
Deposits	1,020					1,020
General fixed assets				\$2,045,586		2,045,586
Amount available in Debt Service Fund					\$80,111	80,111
Amount to be provided for retirement of general long-term debt					709,889	709,889
<b>Total assets</b>	<b><u>\$200,535</u></b>	<b><u>\$80,111</u></b>	<b><u>\$180,854</u></b>	<b><u>\$2,045,586</u></b>	<b><u>\$790,000</u></b>	<b><u>\$3,297,086</u></b>
<b><u>LIABILITIES, EQUITY, AND OTHER CREDITS</u></b>						
Liabilities:						
General obligation bonds payable					\$610,000	\$610,000
Certificates of indebtedness					180,000	180,000
Total liabilities					<u>790,000</u>	<u>790,000</u>
Equity and Other Credits:						
Investment in general fixed assets				\$2,045,586		2,045,586
Fund balances:						
Reserved for debt service		\$80,111				80,111
Reserved for capital projects			\$180,854			180,854
Unreserved - undesignated	\$200,535					200,535
Total equity and other credits	<u>200,535</u>	<u>80,111</u>	<u>180,854</u>	<u>2,045,586</u>		<u>2,507,086</u>
Total liabilities and fund equity	<u>\$200,535</u>	<u>\$80,111</u>	<u>\$180,854</u>	<u>\$2,045,586</u>	<u>\$790,000</u>	<u>\$3,297,086</u>

See notes to financial statements and accountant's report.

**LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 1**  
 Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
 All Governmental Fund Types  
 For the year ended December 31, 1998

	Governmental Fund Types			Totals (Memorandum Only)
	General	Debt Service	Capital Project	
<b>REVENUES</b>				
Taxes - ad valorem	\$112,047	\$65,824		\$177,871
Intergovernmental:				
State of Louisiana:				
State Revenue Sharing	9,400			9,400
Insurance Rebate	25,540			25,540
Lafourche Communication District	10,800			10,800
Other	5,528	1,197		6,725
Total Revenues	<u>163,315</u>	<u>67,021</u>		<u>230,336</u>
<b>EXPENDITURES</b>				
General government - current:				
Ad valorem tax deductions	8,906	1,964		10,870
Public Safety	82,700			82,700
Other			\$ 3,650	3,650
Total current expenditures	<u>91,606</u>	<u>1,964</u>	<u>3,650</u>	<u>97,220</u>
Capital expenditures	<u>16,298</u>			<u>16,298</u>
Debt Service:				
Principal retirement		42,000		42,000
Interest and fiscal charges		40,986		40,986
Total debt service		<u>82,986</u>		<u>82,986</u>
Total expenditures	<u>107,904</u>	<u>84,950</u>	<u>3,650</u>	<u>196,504</u>
Excess (deficiencies) of revenues over expenditures	55,411	(17,929)	(3,650)	33,832
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from debt issues			183,504	183,504
Operating transfers in (out)	<u>(23,734)</u>	<u>22,734</u>	<u>1,000</u>	<u>0</u>
<b>EXCESS (DEFICIENCIES) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>31,677</u>	<u>4,805</u>	<u>180,854</u>	<u>217,336</u>
<b>FUND BALANCES</b>				
Beginning of year	168,858	75,306	0	244,164
End of year	<u>\$200,535</u>	<u>\$80,111</u>	<u>\$180,854</u>	<u>\$461,500</u>

See notes to financial statements and accountant's report.

# LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 1

Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the year ended December 31, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes - ad valorem	\$115,500	\$111,918	(\$3,582)
Intergovernmental:			
State of Louisiana			
State Revenue Sharing	9,400	9,400	0
Insurance Rebate	24,500	25,540	1,040
Lafourche Communication District	10,800	10,800	0
Other	2,000	5,528	3,528
Total Revenues	162,200	163,186	986
<b>EXPENDITURES</b>			
General government - current:			
Ad valorem tax deductions	5,800	5,560	240
Public Safety	102,200	82,700	19,500
Total current expenditures	108,000	88,260	19,740
Capital expenditures	73,000	16,298	56,702
Total expenditures	181,000	104,558	76,442
Excess (deficiencies) of revenues over expenditures	(18,800)	58,628	77,428
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in (out)	(23,000)	(23,734)	(734)
Total other financing sources (uses)	(23,000)	(23,734)	(734)
<b>EXCESS (DEFICIENCIES) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</b>	(41,800)	34,894	76,694
<b>FUND BALANCES</b>			
Beginning of year	45,000	168,858	123,858
End of year	\$3,200	\$203,752	\$200,552

See notes to financial statements and accountant's report.

# LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 1

## Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual Debt Service Funds

For the year ended December 31, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes - ad valorem	\$68,500	\$65,749	(\$2,751)
Other - interest	615	1,197	582
Total Revenues	69,115	66,946	(2,169)
<b>EXPENDITURES</b>			
General government - current:			
Ad valorem tax deductions	3,425	1,964	1,461
Debt Service:			
Principal retirement	42,000	42,000	0
Interest and fiscal charges	40,275	40,986	(711)
Total debt service	82,275	82,986	(711)
Total expenditures	85,700	84,950	750
Excess (deficiencies) of revenues over expenditures	(16,585)	(18,004)	(1,419)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in (out)	23,000	22,734	(266)
Total other financing sources (uses)	23,000	22,734	(266)
<b>EXCESS (DEFICIENCIES) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</b>	6,415	4,730	(1,685)
<b>FUND BALANCES</b>			
Beginning of year	6,778	75,306	68,528
End of year	\$13,193	\$80,036	\$66,843

See notes to financial statements and accountant's report.



# LAFOURCHE PARISH FIRE PROTECTION DISTRICT NO. 1

Combined Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Budget (Non-GAAP Basis) and Actual  
Capital Project Fund  
For the year ended December 31, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Other - interest	\$0	\$0	\$0
Total revenues	0	0	0
<b>EXPENDITURES</b>			
General government - current:		3,650	
Public Safety	0	0	0
Total current expenditures	0	3,650	(3,650)
Capital expenditures	40,950	0	40,950
Total expenditures	40,950	3,650	37,300
Excess (deficiencies) of revenues over expenditures	(40,950)	(3,650)	37,300
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from debt issues	179,100	183,504	4,404
Operating transfers in (out)	0	1,000	1,000
Total other financing sources (uses)	179,100	184,504	5,404
<b>EXCESS (DEFICIENCIES) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>138,150</b>	<b>180,854</b>	<b>42,704</b>
<b>FUND BALANCES</b>			
Beginning of year	0	0	0
End of year	\$138,150	\$180,854	\$ 42,704

See notes to financial statements and accountant's report.

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS  
For the year ended December 31, 1998**

The Lafourche Parish Council adopted a resolution creating Fire Protection District No. 1 of the Parish of Lafourche, Louisiana and defining and describing the boundaries thereof on May 13, 1953. The District comprises that territory within the present boundaries of Police Jury Wards three and seven of Lafourche Parish. The District has all the rights and powers and privileges granted by and conferred by the Constitution and Statutes of the State of Louisiana, including the right to incur debt, issue bonds, and levy taxes.

Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Lafourche Parish Fire Protection District No. 1 (the District) conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies:

A.      Reporting Entity

Under Governmental Accounting and Financial Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the parish, the Lafourche Parish Council is considered to be the primary government for financial reporting purposes for the *Parish of Lafourche*.

Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include:

1.      Appointing a voting majority of an organization's governing body, and
  - a.      The ability of the council to impose its will on that organization and/or;
  - b.      The potential for the organization to provide specific financial benefits to or imposes specific financial burdens on the council.
  
2.      Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (continued)

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.

The District is considered a component unit of the Lafourche Parish Council, if applying the criteria above. This decision is based on the fact that the Parish Council appoints the voting majority of the Board of Commissioners of the District.

B. 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. 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 expendable available financial resources.

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 change in financial position, rather than upon net income determination. The Governmental Funds of the District are as follows:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund.

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting, (Continued)

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term obligation principal, interest and related costs.

Capital Projects Fund - The Capital Projects Fund is used to account for the acquisition or construction of general fixed assets.

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.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

Ad valorem taxes are considered "measurable" at the time of levy. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

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

D. Operating Budgetary Data

Budgets are adopted on a cash basis, which is not consistent with generally accepted accounting principles. Annual appropriated budgets are adopted on a cash basis for all governmental fund types and lapse at year end. The budget is amended by supplemental appropriations as needed during the year to comply with state law.

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Bad Debts

The financial statements for the District contain no allowance for bad debts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would seem to indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operation of the Fund.

F. Encumbrances

The District does not utilize encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in the District's book. The District is on a cash basis for daily operations and this method of accounting is not considered efficient or useful.

G. Reserves and Designations of Fund Balance

Reserves on the governmental funds represent portions of fund balances that are not appropriate for expenditures or have been segregated for specific future uses, while designations of fund balances represent tentative plans for financial resource utilization in a future period.

H. Cash and Deposits

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.

Under state law, the District may invest in United States bonds, treasury notes, or certificates.

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Cash and Deposits, (Continued)

State law also recognizes 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 deposits. Obligation 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.

I. General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. The Account Group is not a fund. It is concerned only with the measurement of financial position, not with the measurement of results of operations.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including bridges, curbs, etc. are not capitalized. No depreciation has been provided on general fixed assets. Interest costs on fixed assets are not capitalized.

All fixed assets classified as trucks and buildings, and assets purchased since January 1, 1994 are valued at historical cost. All other fixed assets are valued as estimated cost because historical cost was not available. Donated fixed assets are valued at their estimated fair value on the date donated.

J. Long Term Debt

The accounting and reporting treatment applied to long-term obligations associated with a fund are determined by its measurement focus. Long term obligations expected to be financed from governmental funds are accounted for in the General Long Term Debt Account Group, not in the governmental funds.

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

J. Long Term Debt, (Continued)

The Long Term Debt Account Group is not a "fund". It is concerned only with the *measurement of financial position, not with the measurement of results of operations.*

K. Total (Memorandum Only) Columns on Combined Statements

The total columns on the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present the financial position or the results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2

DEPOSITS AND INVESTMENTS

At December 31, 1998 the District has cash book balances (all deposits) of \$286,289 and bank balances totaling \$286,598. These deposits are stated at cost, which approximates market. Under state law, federal deposit insurance or the pledge of securities owned by the fiscal agent bank must secure these deposits (or the resulting bank balances). 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.

The District's December 31, 1998 deposits are secured from risk by \$200,000 of federal deposit insurance and \$204,594 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 3      AD VALOREM TAXES

Ad Valorem taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise, and moveable property located in the Parish. The Lafourche Parish Assessor's Office and the State Tax Commission at the percentages of actual value as specified by Louisiana law establishes assessed values.

A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 1996. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 1997 (on which the 1998 taxes were levied) was \$4.94 per \$1,000 of assessed valuation of property within Lafourche Parish Fire Protection District No. 1 for the purpose of maintaining and operating the facilities and programs, and \$2.90 per \$1,000 for the purpose of payment of general long term debt, principal, interest, and related costs for the District.

Note 4      COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members during the year ended December 31, 1998.

Note 5      DUE FROM OTHER GOVERNMENTAL UNITS

The amounts due from other governmental units at December 31, 1998 consisted of December 1998 ad valorem tax collections due from the Lafourche Parish Tax Collector to be remitted to the District in January 1999.



**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6

**BUDGETARY REPORTING**

The accompanying December 31, 1998 Statement of Revenues, Expenditures, and Changes in Cash Balances - Budget (Non-GAAP Basis) and Actual, presents comparisons of the District's adopted budget (more fully described in Note 1) with actual data on a budgetary basis. The budget is prepared on a cash basis, which is not GAAP.

The revenues and expenditures shown on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances are reconciled with amounts reflected on the budget comparisons as follows:

	<b>General Fund</b>	<b>Debt Service</b>	<b>Capital Projects</b>
<b>Excess (Deficiency) of Revenues and Other financing Sources over Expenditures and Other Uses (GAAP Basis)</b>	\$31,677	\$4,805	\$180,854
<b>(Increase) decrease in revenues and receivables</b>	(3,217)	(75)	0
<b>Excess (Deficiency) of Revenues and Other financing sources over Expenditures and Other Uses (Budgetary Basis)</b>	\$34,894	\$4,730	\$180,845

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 7      CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance			Balance
	December		(Deletions)/	December
	31, 1997	Additions	Donations	31, 1998
<b>Buildings</b>	\$610,487	\$12,638	\$3,085	\$626,210
<b>Furniture &amp; Equipment</b>	158,373	10,286	1,036	169,695
<b>Trucks</b>	1,248,571	1,109	0	1,249,681
<b>TOTALS</b>	\$2,017,431	\$24,033	\$4,122	\$2,045,586

Note 8      LONG TERM DEBT

At December 31, 1998, the District had outstanding a Certificate of Indebtedness bearing interest at a rate of 5.4% payable through March 1, 2008 and General Obligation Bonds bearing interest at 11% to 5.45% payable through April 1, 2015.

A summary of changes in long term obligations of the District is as follows:

	Payable			Payable
	December	Debt	Debt	December
	1, 1997	Incurred	Retired	31, 1998
<b>Certificate of Indebtedness, Series 1988</b>	\$22,000		\$22,000	\$0
<b>General Obligation Bonds, Series 1995</b>	630,000		20,000	610,000
<b>Certificate of Indebtedness, Series 1998</b>	0	\$180,000	0	180,000
<b>TOTALS</b>	\$652,000	\$180,000	\$42,000	\$790,000

**LAFOURCHE PARISH FIRE PROTECTION  
DISTRICT NO. 1  
RACELAND, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 8 LONG TERM DEBT (Continued)

The annual requirements, including interest, to amortize all long term debt outstanding are as follows:

	<b>General Obligation Bonds</b>	<b>Certificate of Indebtedness</b>	<b>Total</b>
<b>Maturity</b>			
<b>1999</b>	\$56,505	\$23,780	\$80,285
<b>2000</b>	54,620	23,693	78,313
<b>2001</b>	57,651	23,853	81,504
<b>2002</b>	55,576	23,959	79,536
<b>2003</b>	53,608	23,039	76,646
<b>2004-2008</b>	276,973	117,651	394,623
<b>2009-2013</b>	284,400	0	284,400
<b>2014-2015</b>	121,580	0	121,580
<b>Totals</b>	<b>\$960,913</b>	<b>\$235,975</b>	<b>\$1,196,887</b>

Note 9 Risk Management

The District is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors and omissions; and injuries to the public; and natural disasters. To protect against these risks, the District has purchased commercial or other insurance for the losses to which it is exposed.

***AGREED-UPON PROCEDURES SECTION***



# STAGNI & COMPANY, LLC

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners  
Lafourche Parish Fire Protection District No. 1  
Raceland, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Lafourche Parish Fire Protection District No. 1, (the District) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating the management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 1998 included in the accompanying *Louisiana Attestation 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 purpose for which this report has been requested or for any other purpose.

Our applied procedures, together with any observation or findings, follow:

### ***Public Bid Law***

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$15,000, and no contracts were entered into for public works exceeding \$100,000.

### ***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 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

There are no employees of the District.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

There are no employees of the District.

#### ***Budgeting***

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

Management provided us with a copy of the legally adopted original budget. There were no 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 budget to the minutes held on December 3, 1997 which indicated that the budget had been adopted by the commissioners of the Lafourche Parish Fire Protection District No. 1 by a unanimous vote of the 3 present Board members (two absent).

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

We compared the revenues and expenditures of the final budget (original) to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

#### ***Accounting and Reporting***

7. 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 the 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

Six of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Board of Commissioners. In addition, each of the disbursements was traced to the District's minute book where they were approved by the full commission.

#### ***Meetings***

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

The District provided evidence indicating that agendas for meetings were posted or advertised as required.

#### ***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 like indebtedness.

We inspected all bank deposit slips for the period under examination and noted one deposit that was proceeds of a certificate of indebtedness which was recorded properly.

#### ***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, advance, or gifts.

*There are no employees of the District.*

Our prior year audit report, covering the two years ended December 31, 1997 dated February 27, 1998, did not include any comments or unresolved matters.

Board of Commissioners  
Lafourche Parish Fire Protection District No. 1  
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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 information of the management 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.

*Stagni & Company, LLC*

Thibodaux, Louisiana  
February 4, 1999



**Lafourche Parish Fire Protection District No. 1**

P.O. Box 156  
Raceland, Louisiana 70394  
(504) 537- 7517

**RESOLUTION**

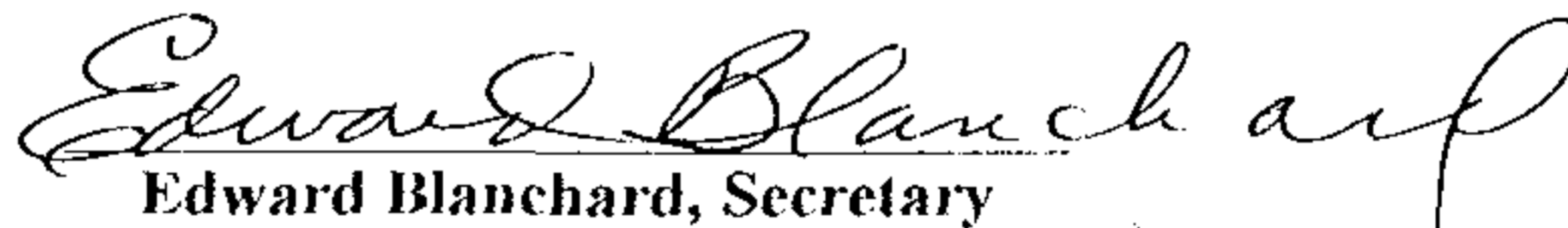
**BE IT RESOLVED**, that the Lafourche Parish Fire Protection District No. 1 Board of Commissioners, as of December 31, 1998, adopts the Louisiana Attestation Questionnaire for submission to Stagni and Company, LLC and confirms that the representations made therein are to the best of the Board's knowledge and belief.

**BE IT FURTHER RESOLVED** that Bobby Saffel, Chairman, Edward Blanchard, Secretary and A.J. Champagne, Treasurer, be authorized to sign said questionnaire.

**CERTIFICATE**

I, Edward Blanchard, Secretary of the Lafourche Parish Fire Protection District No. 1 Board of Commissioners, Lafourche Parish, Louisiana, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Lafourche Parish Fire Protection District No. 1 Board of Commissioners in regular session of February 3, 1999, at which a quorum was present.

**GIVEN UNDER MY OFFICAL SIGNATURE AND SEAL OF OFFICE** this day of February 3, 1999.



**Edward Blanchard, Secretary**  
**Lafourche Parish Fire Protection District No. 1**

LOUISIANA ATTESTATION QUESTIONNAIRE

February 3, 1998 Date

Stagni & Company, LLC

207 Lafaye Avenue

Thibodaux, LA 70301

\_\_\_\_\_ (Auditors)

In connection with your compilation of our financial statements as of December 31, 1998 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 regulation 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 12/31/98 (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 promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

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 42:1119.

Yes [] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

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, 44:7, 44:31, and 44:36.

Yes [] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [  ] No [  ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [  ] No [  ]

**Meetings**

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

Yes [  ] No [  ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 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 VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 47:1410.60.

Yes [  ] No [  ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [  ] No [  ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. 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.

Edmond Blanchard Secretary 2-3-99 Date

W. Champagne Treasurer 2-3-99 Date

Bobby R. Daffel President 2-3-99 Date

Note-Quasi-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 and/or local funds.