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**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

*General Purpose Financial Statements  
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 1999

**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

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

**C O N T E N T S**

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TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

3/25/99  
(Date)

Office of Legislative Auditor  
Attention: Ms. Dorothy Milner  
1600 North Third  
Post Office Box 94397  
Baton Rouge, Louisiana 70804-9397

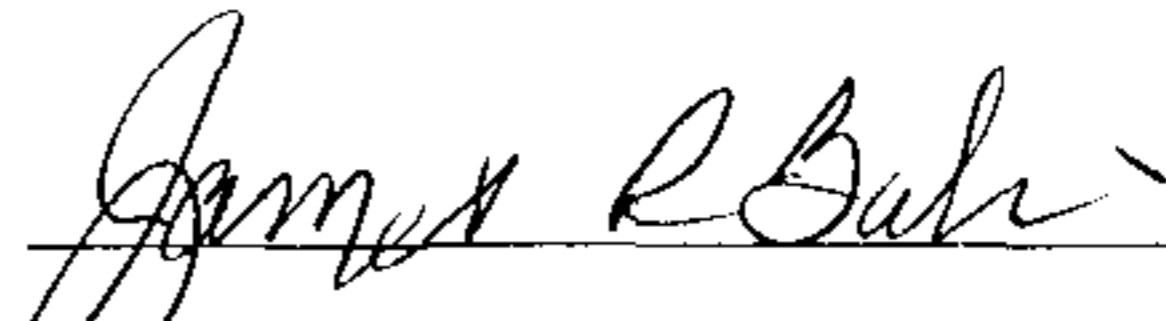
Dear Ms. Milner:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the:

FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE,  
STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL

as of and for the year ended December 31, 1998. The report includes all funds under control and oversight of the district. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Name: James R. Babin

Title: Treasurer

Enclosure

FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1998

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Office of Legislative Auditor within 90 days after the close of the fiscal year.

=====

A F F I D A V I T

Personally came and appeared before the undersigned authority, James R. Babin, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the:

FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE,  
STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL

as of December 31, 1998 and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, James R. Babin, who, duly sworn, deposes and says that the FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF LAFOURCHE STATE OF LOUISIANA received \$50,000 or less in revenues and other sources for the fiscal year ended December 31, 1998, and, accordingly, is not required to have an audit for the previously mentioned fiscal year-end.

  
Signature

Sworn to and subscribed before me, this 25<sup>th</sup> day of MARCH, 1999.

  
NOTARY PUBLIC

=====

Officer \_\_\_\_\_

Address \_\_\_\_\_

Telephone No. \_\_\_\_\_

**INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

**Board of Commissioners  
FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE,  
STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

*We have compiled the accompanying general purpose financial statements of the FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA, a component unit of the Lafourche Parish Council, as of December 31, 1998, and for the year then ended. The financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.*

*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.*



March 22, 1999

**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS**

**Balance Sheet  
December 31, 1998**

	GOVERNMENTAL			TOTAL (MEMORANDUM ONLY)
	---FUND---	-----ACCOUNT GROUPS-----		
	GENERAL FUND	GENERAL ASSETS	FIXED LONG-TERM OBLIGATIONS	
<b>ASSETS AND OTHER DEBITS</b>				
Assets:				
Cash - checking	\$ 15,668.23	\$ 0.00	\$ 0.00	\$ 15,668.23
Fire protection vehicle	0.00	60,000.00	0.00	60,000.00
Other Debits:				
Amount to be provided for retirement of long-term Obligations	<u>0.00</u>	<u>0.00</u>	<u>52,530.00</u>	<u>52,530.00</u>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<u>\$ 15,668.23</u>	<u>\$ 60,000.00</u>	<u>\$ 52,530.00</u>	<u>\$128,198.23</u>
 <b>LIABILITIES, EQUITY AND OTHER CREDITS</b>				
Liabilities:				
Note payable	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 52,530.00</u>	<u>\$ 52,530.00</u>
Total liabilities	<u>0.00</u>	<u>0.00</u>	<u>52,530.00</u>	<u>52,530.00</u>
Equity and other credits:				
Investment in fixed assets	0.00	60,000.00	0.00	60,000.00
Fund balance - unreserved - undesignated	<u>15,668.23</u>	<u>0.00</u>	<u>0.00</u>	<u>15,668.23</u>
Total equity and other credits	<u>\$ 15,668.23</u>	<u>\$ 60,000.00</u>	<u>\$ 0.00</u>	<u>\$ 75,668.23</u>
<b>Total liabilities, equity and other credits</b>	<u>\$ 15,668.23</u>	<u>\$ 60,000.00</u>	<u>\$ 52,530.00</u>	<u>\$128,198.23</u>

See accompanying notes & accountant's compilation report.

**FIRE PROTECTION DISTRICT NO. 7**  
**STATE OF LOUISIANA**  
**506 HIGHWAY 308**  
**Thibodaux, Louisiana**  
**GOVERNMENTAL FUND - GENERAL FUND**

**Statement of Revenues, Expenditures, and changes  
in Fund Balance - Budget (GAAP Basis) and Actual  
For the year ended September 30, 1998**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Ad valorem tax	\$ 44,033.00	\$ 51,214.64	\$ 7,181.64
Interest	<u>300.00</u>	<u>342.58</u>	<u>42.58</u>
Total revenue	<u>\$ 44,333.00</u>	<u>\$ 51,557.22</u>	<u>\$ 7,224.22</u>
<b>EXPENDITURES</b>			
Fire protection service	\$ 46,495.00	\$ 41,700.00	\$ 4,795.00
Legal & accounting	555.00	555.00	0.00
Miscellaneous	50.00	0.00	50.00
Office expenses	20.00	0.00	20.00
Debt Service	<u>11,416.00</u>	<u>11,451.92</u>	<u>(35.92)</u>
Total expenditures	<u>\$ 58,536.00</u>	<u>\$ 53,706.92</u>	<u>\$ 4,829.08</u>
Excess (deficiency) of revenues over expenditures	\$ (14,203.00)	\$ (2,149.70)	\$ 12,053.30
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>17,817.93</u>	<u>17,817.93</u>	<u>0.00</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 3,614.93</u>	<u>\$ 15,668.23</u>	<u>\$ 12,053.30</u>

See accompanying notes & accountant's compilation report.

**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended  
December 31, 1998**

**INTRODUCTION**

The Fire Protection District No. 7 of the Parish of Lafourche, State of Louisiana was created by the Lafourche Parish Council, by virtue of the authority conferred by Part I, Chapter 7, Title 40 of the Louisiana Revised Statute of 1950. The district is governed by a five-member board of commissioners, appointed by the council. The district's finances are primarily ad valorem taxes on property located within the district's boundaries. The district comprises and embraces all of the territory contained within Police Jury Ward 5 less and except the area of said Police Jury Ward contained within the City of Thibodaux, Louisiana. The following territory is not included within the boundaries of the District: That part of Police Jury Ward 5, Lafourche Parish, outside the corporate limits of the City of Thibodaux, Louisiana, which lies west of Louisiana Highway 20. The district provides funds to the Lafourche Crossing 308 Volunteer Fire Company, Inc. in return for fire protection services for the district.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of presentation**

The accompanying general purpose financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. Reporting entity**

As the governing authority of the parish, for reporting purposes, the Lafourche Parish Council is the financial reporting entity for Lafourche Parish. The financial reporting entity consists of (a) the primary government (parish council), (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.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Lafourche Parish Council 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. This criteria includes:



**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended  
December 31, 1998**

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 impose 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.
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 parish council appoints the governing board and because of the potential for the organization to impose specific financial burdens on the council, the district was determined to be a component unit of the Lafourche Parish Council, 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 parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental 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 governmental 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 devise 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.

The only fund of the district is the general fund, which is classified as a governmental fund. 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

**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended  
December 31, 1998**

servicing of general long-term debt. The general fund is the general operating fund of the district that accounts for all financial resources, except those required to be accounted for in other funds.

**D. Basis of accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating statement presents increases and decreases in net current assets. The district's records are maintained on the cash basis of accounting. However, the general fund reported in the financial statements has been converted to the modified accrual basis of accounting using the following practices in recording revenues and expenditures:

**Revenues -**

Ad valorem taxes are recorded as revenue on a modified accrual basis, and therefore, recognized when they become both measurable and available to pay current expenditures.

Interest income is recorded when the interest is available.

**Expenditures -**

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

**E. Budgets**

The district adopted a budget for the General Fund for the year ended December 31, 1998.

**F. Encumbrances**

The district does not use encumbrance accounting.

**G. Cash and cash equivalents**

Cash and cash equivalents include amounts in interest-bearing demand 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.

**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended  
December 31, 1998**

**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 costs.

**I. Total columns on statement**

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these 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.

**NOTE 2. LEVIED TAXES**

The district is authorized to and has levied a 15.00 mill ad valorem tax.

**NOTE 3. CASH AND CASH EQUIVALENTS**

At December 31, 1998, the district has cash and cash equivalents (book balances) totaling \$ 15,668.23 as follows:

Demand deposits	\$ 15,668.23
	=====

These deposits are stated at cost, which approximate market. Under state law, this deposit (or resulting bank balance) 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. At December 31, 1998, the district has \$ 15,408.03 in deposits (collected bank balance). This deposit is secured from risk by federal deposit insurance.

**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended  
December 31, 1998**

**NOTE 4. CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance December 31, 1997	Additions (Capital outlays)	Balance December 31, 1998
Fire protection vehicle	\$ 60,000.00	\$ 0.00	\$ 60,000.00
	-----	-----	-----
Total	\$ 60,000.00	\$ 0.00	\$ 60,000.00
	=====	=====	=====

There were no retirement of assets for the year ended December 31, 1998.

**NOTE 5. CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions during the year:

	Note Payable
Long-term obligations payable at December 31, 1997	60,030.00
Additions	\$ 0.00
Deductions	7,500.00
	-----
Long-term obligations payable at December 31, 1998	\$ 52,530.00
	=====

The district has one note payable to Argent Bank with the following details:

Principal	\$ 52,530.00
Loan date	06/19/97
Maturity	07/19/05
Interest rate	6.000% per annum

**FIRE PROTECTION DISTRICT NO. 7  
OF THE PARISH OF LAFOURCHE, STATE OF LOUISIANA  
LAFOURCHE PARISH COUNCIL  
Thibodaux, Louisiana**

**Notes to the Financial Statements  
As of and for the Year Ended  
December 31, 1998**

The annual requirements to amortize the note outstanding at December 31, 1998, including interest of \$ 12,612.65, are as follows:

Year Ending -----	
1999	10,651.80
2000	10,201.80
2001	9,751.00
2002	9,302.65
2003	8,851.80
2004	8,401.80
2005	7,981.80
	-----
Total	\$ 65,142.65 =====

**NOTE 6. LITIGATION AND CLAIMS**

At December 31, 1998 the board had no litigation or claims pending.