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**ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6**

**GENERAL PURPOSE FINANCIAL STATEMENTS
(Compiled)**

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 AUG 04 1999

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

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Bernard & Franks
A Corporation of Certified Public Accountants

4141 VETERANS BOULEVARD □ SUITE 313 □ METAIRIE, LOUISIANA 70002-5581 □ TELEPHONE (504) 885-0170
FAX (504) 456-9531

DONALD A. BERNARD, C.P.A.
JOSEPH V. FRANKS II, C.P.A.
NICHOLAS F. CHETTA, C.P.A.
NICHOLAS W. LAFFRANZ III, C.P.A.
JAMES L. WHITE, C.P.A.

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT ACCOUNTANT'S REPORT

**Board of Commissioners
St. Tammany Parish Fire Protection District No. 6
Covington, Louisiana**

We have compiled the accompanying general purpose financial statements, as listed in the table of contents, of the St. Tammany Parish Fire Protection District No. 6 as of and for the year ended December 31, 1998 as required by Louisiana Revised Statute 24:513, and 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 on them.

Bernard & Franks

June 28, 1999

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

COMBINED BALANCE SHEET
GOVERNMENTAL FUND TYPE AND ACCOUNT GROUP
DECEMBER 31, 1998
See Accountant's Compilation Report

	GOVERNMENTAL FUND	ACCOUNT GROUP	TOTALS
	GENERAL FUND	GENERAL FIXED ASSETS	(Memorandum) ONLY
ASSETS			
Cash (Note 2)	\$135,103	\$ --	\$135,103
Receivables:			
Ad Valorem Taxes	103,077	--	103,077
Accounts Receivable	563	--	563
Revenue Sharing	11,460	--	11,460
Prepaid Insurance	11,930	--	11,930
Land & Equipment (Note 3)	<u> --</u>	<u>499,721</u>	<u>499,721</u>
TOTAL ASSETS	<u>\$262,133</u>	<u>\$499,721</u>	<u>\$761,854</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	\$ 10,831	\$ --	\$ 10,831
Deductions from Ad Valorem Taxes Payable	<u> 3,057</u>	<u> --</u>	<u> 3,057</u>
TOTAL LIABILITIES	<u>\$ 13,888</u>	<u>\$ --</u>	<u>\$ 13,888</u>
Fund Equity:			
Investment in General Fixed Assets	\$ --	\$499,721	\$499,721
Fund Balance			
Reserved - Prepaid Insurance	11,930	--	11,930
Unreserved - Undesignated	<u>236,315</u>	<u> --</u>	<u>236,315</u>
TOTAL FUND EQUITY	<u>\$248,245</u>	<u>\$499,721</u>	<u>\$747,966</u>
TOTAL LIABILITIES & FUND EQUITY	<u>\$262,133</u>	<u>\$499,721</u>	<u>\$761,854</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS)
AND ACTUAL - GOVERNMENTAL FUND TYPE
For The Year Ended December 31, 1998
See Accountant's Compilation Report

	<u>General Fund</u>		Variances Favorable (Unfavorable)
	<u>Actual</u>	<u>Budget</u>	
REVENUES			
Intergovernmental Revenues:			
Ad Valorem Taxes	\$ 88,620	\$ 97,500	\$ (8,880)
State Revenue Sharing (net)	11,460	12,000	(540)
Fire Insurance Premium Rebate	7,921	8,000	(79)
Use of Money and Property-Interest			
Earned on Time Deposits	2,406	2,500	(94)
Other Revenue	<u>1,125</u>	<u>--</u>	<u>1,125</u>
 Total Revenues	 <u>\$111,532</u>	 <u>\$120,000</u>	 <u>\$ (8,468)</u>
 EXPENDITURES			
Legal and Accounting	\$ 2,575	\$ 2,575	\$ --
Insurance	15,852	16,000	148
Repairs and Maintenance	39,559	38,500	(1,059)
Utilities	12,106	11,500	(606)
Capital Outlay	21,677	22,625	948
Truck Expenses	2,456	3,000	544
Pension Cost	3,057	3,000	(57)
Training	728	1,000	272
Others	<u>1,573</u>	<u>--</u>	<u>(1,573)</u>
 Total Expenditures	 <u>\$ 99,583</u>	 <u>\$ 98,200</u>	 <u>\$ (1,383)</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 \$ 11,949	 <u>\$ 21,800</u>	 <u>\$ (9,851)</u>
 FUND BALANCE BEGINNING OF YEAR	 <u>236,296</u>		
 FUND BALANCE AT END OF YEAR	 <u>\$248,245</u>		

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

See Accountant's Compilation Report

INTRODUCTION

The St. Tammany Parish Fire Protection District No. 6 was created on September 17, 1970 by the St. Tammany Parish Police Jury, as provided by Louisiana Revised Statute 40:1492. The district was created to acquire, maintain, and operate buildings, machinery, equipment, water tanks, water hydrants and water lines, and other such things necessary to provide proper fire prevention and control within the district's limits. The administration of the district is governed by a board of commissioners consisting of 5 members who are resident property taxpayers of the district. These members are appointed by the St. Tammany Parish Police Jury and serve 2 years without remuneration. The district operates two fire stations and provides fire protection services in an area covering approximately 55 square miles.

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the St. Tammany Parish Fire Protection District No. 6 have been prepared in conformity with generally accepted 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

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the district's board members are solely accountable for fiscal matters, which include (1) responsibility for funding deficits and operation deficiencies and (2) fiscal management for controlling the collection and disbursement of funds, and because of the scope of the public service provided by the district, the district is a separate governmental reporting entity. The district includes all funds, account groups, activities, et. cetera, that are within the oversight responsibility of the district.

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

See Accountant's Compilation Report

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. REPORTING ENTITY (Continued)

Certain units of local government over which the district exercises no oversight responsibility, such as the parish police jury, parish school board, independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the district.

C. FUND ACCOUNTING

The district used a fund (General Fund) and account group 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 relating to certain government functions or activities.

The General 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 recorded in the funds because they do not directly affect net expendable available financial resources.

The General Fund is classified as a governmental fund. It is the general operating fund of the fire protection district and accounts for all financial resources.

D. BASIS OF ACCOUNTING

The accounting and financial 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 of the General Fund presents increases and decreases in net current

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

See Accountant's Compilation Report

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BASIS OF ACCOUNTING (Continued)

assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Interest income is recorded when the interest is earned and the income is available.

Fire insurance premium rebates are recorded when the fire protection district is entitled to the funds.

Substantially all other revenues are recorded when received.

Expenditures

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

E. BUDGET PRACTICES

The fire protection district adopted a budget as approved by the Board for the year ended December 31, 1998. This budget was based on 1997 actual expenditures and estimates of projected revenues for 1998. All unexpended budget appropriations lapse at the end of the fiscal year. Changes to the budget must be made by the Board of Commissioners.

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

See Accountant's Compilation Report

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. CASH

Cash included amounts in interest bearing demand deposits. Under state law, the fire projection district may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or banks having their principal offices in Louisiana.

G. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. Approximately 90.48 percent of the fixed assets are valued at historical cost, and 9.52 percent are valued at estimated cost.

H. LONG-TERM OBLIGATIONS

The fire protection district had no long term obligations as of December 31, 1998.

I. TOTAL COLUMN ON BALANCE SHEET

The total column on the balance sheet is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

See Accountant's Compilation Report

Note 2. CASH

At December 31, 1998, the fire protection district has cash (book balance) totaling \$135,103 in interest bearing demand deposits. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balance) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At December 31, 1998, the fire protection district has \$141,452 in deposits secured from risk by federal deposit insurance and pledge of securities by the fiscal agent bank.

Note 3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (land and equipment) follows:

	<u>Land</u>	<u>Equipment</u>	<u>Total</u>
Balance at January 31, 1998	\$20,000	\$462,055	\$482,055
Additions - 1998		21,677	21,677
Deductions - 1998		<u>(4,011)</u>	<u>(4,011)</u>
Balance at December 31, 1998	<u>\$20,000</u>	<u>\$479,721</u>	<u>\$499,721</u>

Note 4. VACATION, SICK LEAVE, AND PENSION PLAN

All members of the fire protection district serve as volunteers. Therefore, the fire protection district does not have a vacation, sick leave or pension plan.

ST. TAMMANY PARISH FIRE PROTECTION
DISTRICT NO. 6

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

See Accountant's Compilation Report

Note 5. LEASES

As of December 31, 1998, the fire protection district did not have any outstanding capital leases.

Note 6. LITIGATION

There was no litigation pending against the fire protection district as of December 31, 1998.

Note 7. LEVIED TAXES

The fire protection district is authorized and has levied taxes of 20.12 mills to acquire, construct, improve, maintain, and operate fire protection facilities and equipment in and for the said district.

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FAX (504) 456-9531

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

**Board of Commissioners
St. Tammany Parish Fire Protection District No. 6
Covington, Louisiana**

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the St. Tammany Parish Fire Protection District No. 6 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the St. Tammany Parish Fire Protection District No. 6 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.

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-RS38:2211-2251 (the public bid law).

There were no expenditures made during the year for material and supplies exceeding \$15,000 or public work 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-RS42:1101-1124 (the code of ethics) and a list of outside business interest of all board members and employees, as well as their immediate families.

We obtained a list of family members and outside business interests for each board member.

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

The St. Tammany Fire Protection District No. 6 has no employees, only volunteer fire fighters.

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

The St. Tammany Fire Protection District No. 6 has no employees.

BUDGETING

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

Management provided us with copies of the original and amended budgets.

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

The budget adoption was traced to the minute book.

7. Compare the revenues and expenditures of the final budget to actual revenue and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted amounts by 5% or more.

Areas where the actual revenue failed to meet budgeted revenues amounts by 5% or more are as follows:

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percent Variance</u>
REVENUES:				
Ad Valorem Taxes	\$ 88,620	\$ 97,500	\$ 8,880	10.03%

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.

All 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 proper approval obtained.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS42:1 through 42:12 (the open meetings law).

Agendas for meetings were posted as required by law.

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 copies of all bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

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.

The St. Tammany Fire Protection District No. 6 has no employees.

PRIOR COMMENTS AND RECOMMENDATIONS

12. We reviewed any prior years suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

As stated in this years report and also in our report dated June 20, 1998, revenues were 5% less than amounts budgeted.

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 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.



June 28, 1999

ST. TAMMANY PARISH
FIRE PROTECTION DISTRICT NO. 6
COVINGTON, LA 70435

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

6/20/99 (Date Transmitted)

Bernard & Franks, CPA's
4141 Veterans Blvd Suite 313
Metairie, La 70002

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year 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 (date of 12/31/98 & 6/20/99 completion/representations).

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 39:34.

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 39:1410.60-1410.65.

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.

<u>James R. Melan</u>	Secretary	<u>6-25-99</u>	Date
<u>Gregory S. Taylor</u>	Treasurer	<u>6-25-99</u>	Date
<u>Jerry K. Bricker</u>	President	<u>6-25-99</u>	Date