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**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY  
AND EMERGENCY PREPAREDNESS**

**BOSSIER CITY, LOUISIANA**

**DECEMBER 31, 2003**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 9-1-04

**CADDO-BOSSIER OFFICE OF EMERGENCY PREPAREDNESS**  
**BOSSIER CITY, LOUISIANA**

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**ACCOUNTANT'S COMPILATION REPORT**

June 10, 2004

To the Executive Council  
Caddo-Bossier Office of Homeland Security  
and Emergency Preparedness  
Bossier City, Louisiana

I have compiled the accompanying financial statements of Caddo-Bossier Office of Homeland Security and Emergency Preparedness, Bossier City, Louisiana as of December 31, 2003 and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accounts.

A Compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated June 10, 2004, on the results of my agreed-upon procedures.

 Richard C  
McCallister

Signature  
Valid

Digitally signed by  
Richard C McCallister  
DN: cn=Richard C  
McCallister, o=Richard  
C McCallister, CPA,  
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Date: 2004.06.30  
16:51:05 -0600

Richard C. McCallister

**COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY**  
**AND EMERGENCY PREPAREDNESS**  
**STATEMENT OF NET ASSETS AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**DECEMBER 31, 2003**

|  | <u>General<br/>Fund</u> | <u>Adjustments<br/>Note (9)</u> | <u>Statement of<br/>Net Assets</u> |
|--|-------------------------|---------------------------------|------------------------------------|
| <b><u>ASSETS</u></b>                                     |                         |                                 |                                    |
| Cash   | 616,127                 |                                 | 616,127                            |
| Investments - Note 3                                     | 69,180                  |                                 | 69,180                             |
| Accounts receivable grants - Note 4                      | 34,056                  |                                 | 34,056                             |
| Capital assets, net of accumulated depreciation - Note 5 |                         | 47,825                          | 47,825                             |
|  | <u>719,363</u>          | <u>47,825</u>                   | <u>767,188</u>                     |
| <b><u>LIABILITIES</u></b>                                |                         |                                 |                                    |
| Accounts payable   | 1,759                   |                                 | 1,759                              |
| Accrued expenses   | 41,463                  |                                 | 41,463                             |
|  | <u>43,222</u>           |                                 | <u>43,222</u>                      |
| <b><u>FUND BALANCE/NET ASSETS</u></b>                    |                         |                                 |                                    |
| Fund balances:   |                         |                                 |                                    |
| Unreserved   | 676,141                 | (676,141)                       |                                    |
| Total fund balances                                      | <u>676,141</u>          | <u>(676,141)</u>                |                                    |
|  | <u>719,363</u>          |                                 |                                    |
| Net assets   |                         |                                 |                                    |
| Invested in capital assets, net of related debt          |                         | 47,825                          | 47,825                             |
| Unrestricted   |                         | 676,141                         | 676,141                            |
| Total net assets   |                         | <u>723,966</u>                  | <u>723,966</u>                     |

See Accountant's Compilation Report and Notes to the Financial Statements

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY**  
**AND EMERGENCY PREPAREDNESS**  
**STATEMENT OF ACTIVITIES AND**  
**GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

|   | <u>General<br/>Fund</u> | <u>Adjustments<br/>Note (9)</u> | <u>Statement of<br/>Activities</u> |
|---|-------------------------|---------------------------------|------------------------------------|
| <b><u>REVENUES</u></b>                                  |                         |                                 |                                    |
| Intergovernmental revenues:                             |                         |                                 |                                    |
| Federal grants  | 466,323                 |                                 | 466,323                            |
| Local grants  | 300,168                 |                                 | 300,168                            |
| Community support                                       | 5,500                   |                                 | 5,500                              |
| Interest  | 6,980                   |                                 | 6,980                              |
|   | <hr/>                   |                                 | <hr/>                              |
| Total revenues  | 778,971                 |                                 | 778,971                            |
|   | <hr/>                   |                                 | <hr/>                              |
| <b><u>EXPENDITURES/EXPENSES</u></b>                     |                         |                                 |                                    |
| Public Safety:  |                         |                                 |                                    |
| Personnel   | 239,036                 |                                 | 239,036                            |
| Insurance   | 10,041                  |                                 | 10,041                             |
| Public affairs  | 6,518                   |                                 | 6,518                              |
| Warning and communication                               | 85,916                  |                                 | 85,916                             |
| Medical supplies  | 18,773                  |                                 | 18,773                             |
| Travel  | 12,050                  |                                 | 12,050                             |
| Employee retirement                                     | 17,802                  |                                 | 17,802                             |
| Maintenance   | 7,608                   |                                 | 7,608                              |
| Supplies  | 26,094                  |                                 | 26,094                             |
| Professional services                                   | 28,863                  |                                 | 28,863                             |
| Depreciation  |                         | 20,193                          | 20,193                             |
| Capital outlays   | 22,994                  | (22,994)                        | -                                  |
|   | <hr/>                   |                                 | <hr/>                              |
| Total expenditures                                      | 475,695                 | (2,801)                         | 472,894                            |
|   | <hr/>                   |                                 | <hr/>                              |
| <b><u>EXCESS OF REVENUES OVER EXPENDITURES</u></b>      | 303,276                 | (303,276)                       |                                    |
| <b><u>CHANGE IN NET ASSETS</u></b>                      |                         | 306,077                         | 306,077                            |
| <b><u>FUND BALANCE/NET ASSETS-BEGINNING OF YEAR</u></b> | 372,865                 | 45,024                          | 417,889                            |
|   | <hr/>                   |                                 | <hr/>                              |
| <b><u>FUND BALANCE/NET ASSETS-END OF YEAR</u></b>       | 676,141                 | 47,825                          | 723,966                            |
|   | <hr/>                   |                                 | <hr/>                              |

See Accountant's Compilation Report and Notes to the Financial Statements

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY  
AND EMERGENCY PREPAREDNESS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. This office does not use encumbrance accounting. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. FINANCIAL REPORTING ENTITY**

The Caddo-Bossier Office of Homeland Security and Emergency Preparedness is an independent agency governed by a four-member Board. The Board consists of the mayors of Shreveport and Bossier City and the presidents of the Caddo Parish Commission and the Bossier Parish Police Jury. The agency operates autonomously from these four governmental units. It controls hiring and retention of employees; has authority over its own budgeting; is responsible for its deficits; and collects and disburses its own funds. Therefore, the agency reports as an independent reporting entity.

**C. GOVERNMENT-WIDE ACCOUNTING**

In accordance with Governmental Accounting Standards No. 34, the Caddo-Bossier Office of Emergency Preparedness has presented a Statement of Net Assets and Statement of Activities. This office has no component units. Fiduciary funds are reported separately when applicable. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Policies specific to the Statement of Net Assets and Statement of Activities are as follows:

**Application of FASB Statements and Interpretations**

Reporting on governmental-type activities are based on FASB Statements and interpretations issued after November 31, 1989, except where they conflict or contradict GASB pronouncements.

**Capitalizing Assets**

Tangible and/or intangible assets used in operations with initial useful life that extends beyond one year and a cost of at least \$100 are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the

See Accountant's Compilation Report

Statement of Net Assets. This office does not own any infrastructure assets. Vehicles are depreciated with a useful life of four years. Furniture and equipment estimated lives vary from five to twelve years.

#### **D. FUND ACCOUNTING**

The Agency uses funds 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.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the agency are all classified as Governmental Funds. Governmental funds account for the Agency'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 of the Agency include:

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.

#### **E. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation.

The Statement of Net Assets and Statement of Activities are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental-type activities are included in the Statement of Net Assets. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated in the fund.

The governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. Available means collected within the current year or expected to be collected within 60 days following year-end. All revenue sources met this criterion. Operating statements of these funds present increases and decreases in net current assets. Expenditures for capital assets are reported as current expense, and such assets are not depreciated.



## **F. BUDGETS**

The Agency uses the following budget practices:

1. Budgets are prepared on the modified accrual basis of accounting and were adopted for the General Fund for 2003.
2. The Agency's Executive Director prepares the proposed budget and submits it to the Chairman of the Board no later than fifteen days prior to the beginning of each fiscal year.
3. The Board adopts the budget by majority vote.
4. Budgetary amendments are made by the Executive Director and do not require approval of the Board.
5. All budgetary appropriations lapse at year-end.
6. Formal budgetary integration is not employed; however, periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the originally adopted budget amounts and all subsequent budget amendments.

The Agency did not comply with the provision in state law requiring that proposed budgets be advertised as available for public inspection prior to adoption.

## **G. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is generally used in governmental funds. Based on the size of the accounts and the methods utilized for payments, the Agency does not employ encumbrance accounting.

## **H. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Agency may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under the laws of the United States.

## **I. INVESTMENTS**

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Agency's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

## **J. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## **K. COMPENSATED ABSENCES**

Vested or accumulated vacation leave is reported as an expenditure/expense and a liability of the governmental when earned.

## **L. NET ASSETS/FUND BALANCES**

In the Statement of Net Assets, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets is as follows:

### **Invested in capital assets, net of related debt**

This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction, or improvement of capital assets.

### **Restricted net assets**

Net assets that are restricted by external sources such as banks or by law are reported separately as restricted net assets. When assets are required to be retained in perpetuity, these non-expendable net assets are recorded separately from expendable net assets. These are components of restricted net assets.

### **Unrestricted net assets**

This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

### **Reserved**

These resources are segregated because their use is earmarked for a specific purpose.

### **Unreserved**

This category represents that portion of equity not appropriable for expenditures or legally separated to a specific future use.

See Accountant's Compilation Report

## 2. CASH AND CASH EQUIVALENTS

The Office of Emergency Preparedness classifies demand and time deposits as cash. The collected balances of the deposits with financial institutions at December 31, 2003 was \$623,120 and was collateralized as follows:

|  |                  |
|--|------------------|
| Amount insured by FDIC   | \$229,453        |
| Amount collateralized with securities, held by pledging financial institution's trust department in the agency's name (Category 2, GASB Statement No. 3) | <u>393,667</u>   |
| Total collateral   | <u>\$623,120</u> |

These deposits are stated at cost, which approximates market. Book value of deposits differs from collected balances and equals \$616,127. Under state law, these deposits must be secured by federal deposit insurance or the pledge of the 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.

Even though pledged securities are considered uncollateralized 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 10 days of being notified by the Agency that the fiscal agent has failed to pay deposited funds upon demand.

## 3. INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Agency or its agent in the Agency's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the Agency's name.
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Agency's name.

The Agency's investments all fall under category 1 and consist of obligations of FHLMC and FNMA. Investments are carried at amortized cost of \$69,180. Market value at December 31, 2003 approximated cost.

See Accountant's Compilation Report

#### 4. RECEIVABLES

The following is a summary of receivables at December 31, 2003:

|  |                 |
|--|-----------------|
| Local grant-Caddo Parish                               | \$8,450         |
| State grant-Louisiana Office of Emergency Preparedness | 25,606          |
| Total grant receivables                                | <u>\$34,056</u> |

#### 5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2003 is as follows:

| <u>Assets at Cost</u>           | Balance         |                  |                    | Balance           |
|---------------------------------|-----------------|------------------|--------------------|-------------------|
| <u>Description</u>              | <u>1/1/2003</u> | <u>Additions</u> | <u>Retirements</u> | <u>12/31/2003</u> |
| Equipment                       | \$144,127       | \$22,994         | \$25,034           | \$142,087         |
| Vehicles                        | 17,785          | -                | -                  | 17,785            |
| Totals                          | <u>161,912</u>  | <u>22,994</u>    | <u>25,034</u>      | <u>159,872</u>    |
| <u>Accumulated Depreciation</u> |                 |                  |                    |                   |
| Equipment                       | 108,735         | 15,747           | 25,032             | 99,450            |
| Vehicles                        | 8,151           | 4,446            | -                  | 12,597            |
| Totals                          | <u>116,886</u>  | <u>20,193</u>    | <u>25,032</u>      | <u>112,047</u>    |
| Net capital assets              | <u>\$45,026</u> | <u>\$2,801</u>   | <u>\$ 2</u>        | <u>\$47,825</u>   |

#### 6. PENSION PLAN

*Plan Description* – The agency covers its full time permanent employees with the City of Shreveport Employees Retirement System. The System is independent of the Caddo-Bossier Office of Emergency Preparedness. The City of Shreveport Employees Retirement System (City Plan) is a cost sharing multiple employer defined benefit pension plan, which is administered by the City of Shreveport.

To be eligible for retirement benefits, employees must have 30 years of service regardless of age, or be age 65 and have 10 years of service and if hired before January 1, 1979 be 55 years of age with 20 years of service. Employees hired after January 1, 1979, may retire at age 55 with 25 years of service or age 60 with 20 years of service. Disability retirement requires 5 years or more of creditable service in order for an employee to be eligible to receive benefits. Death benefit requirements specify that an employee must have been in active service with 10 or more years of creditable service in the Retirement System. Employees become vested in the system after 10 years of creditable service.

Shreveport City Ordinance establishes benefit provisions. Benefits available to employees hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus annual pension, which together with the annuity,

See Accountant's Compilation Report

- 10 or more years of creditable service in the Retirement System. Employees become vested in the system after 10 years of creditable service.

Shreveport City Ordinance establishes benefit provisions. Benefits available to employees hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus annual pension, which together with the annuity, provides total retirement allowance equal to 3 percent of average compensation times years of creditable service. Beginning January 1, 1996, the retirement allowance was increased to 3 1/3 percent of average compensation times years of creditable service for 1996 and future years of service. For a service retirement benefit prior to age 65 with less than 20 but more than 10 years of service, the benefit is reduced by 1/4 percent for each month below age 65. If a member dies after retirement and leaves a surviving spouse to whom he/she had been married for at least one year immediately preceding death, such spouse receives 50 percent of the member's retirement for the rest of his/her life. A disability benefit is available if a member is unable to engage in any substantial, gainful activity by reason of medically determined physical or mental impairment, which is likely to be permanent. The Deferred Retirement Option Plan allows members who have met eligibility requirements to defer receipt of benefits until termination at which time the participant will be eligible to receive the deferred benefits.

The City of Shreveport issues an annual publicly available financial report that includes financial statements and required supplementary information. Readers are referred to the Notes to the General Purpose Financial Statements contained in the Comprehensive Annual Financial Report of the City of Shreveport for the years ended December 31, 2003.

*Funding Policy* - Covered employees are required to contribute 9 percent of their salary to the City Plan while the employer is required to contribute 9.15 percent of the covered employees' salaries. The Shreveport City Ordinance establishes the employer and employee contribution obligations. City of Shreveport Ordinance may amend employee or employer contributions. Employer contributions to the plan were \$17,662 on covered payroll of \$193,000.

Caddo Bossier Office of Emergency Preparedness does not guarantee any of the benefits granted under the plan.

## **7. COMPENSATED ABSENCES**

Full time employees may earn from one hundred thirty to two hundred twenty-five hours of annual leave and sick leave per year depending on their length of service. Upon separation of service, employees may be paid for annual leave up to five hundred hours. Employees are not paid for accrued sick leave upon separation of service, but accrued sick leave may be applied against total employment years at retirement. The amount of accrued leave at December 31, 2003 was \$41,463 and is included as a liability of the general fund and statement of net assets.

See Accountant's Compilation Report

**8. RISK MANAGEMENT**

The agency covers its risks of loss through the purchase of commercial insurance. Operations do not expose the agency to any significant risks.

**9. RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS AND THAT OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

|  |                           |
|--|---------------------------|
| Total fund balance - total governmental funds  | <u>2003</u><br>\$ 676,141 |
| Amounts reported for governmental activities in the Statement of Net Assets are different because:   |                           |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet  | <u>47,825</u>             |
| Total net assets of governmental activities  | <u>723,966</u>            |
| Net change in fund balance - total governmental funds  | 303,276                   |
| Amounts reported for governmental activities in the Statement of Activities are different because:   |                           |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation charged was less than (exceeded) capital outlays for the period. | <u>2,801</u>              |
| Change in net assets of governmental activities  | <u>\$ 306,077</u>         |

See Accountant's Compilation Report

**REQUIRED SUPPLEMENTAL INFORMATION**

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY**  
**AND EMERGENCY PREPAREDNESS**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

|  | <u>Budget (1)</u> | <u>Actual</u>  | <u>Variance</u> |
|--|-------------------|----------------|-----------------|
| <b><u>REVENUES</u></b>                       |                   |                |                 |
| Intergovernmental revenues:                  |                   |                |                 |
| Federal Grants                               | 446,000           | 466,323        | 20,323          |
| Local Grants                                 | 301,820           | 300,168        | (1,652)         |
| Community support                            | -                 | 5,500          | 5,500           |
| Interest                                     | 7,000             | 6,980          | (20)            |
|  | <u>754,820</u>    | <u>778,971</u> | <u>24,151</u>   |
| <b><u>EXPENDITURES</u></b>                   |                   |                |                 |
| Public Safety:                               |                   |                |                 |
| Personnel                                    | 239,096           | 239,036        | 60              |
| Insurance                                    | 9,800             | 10,041         | (241)           |
| Public affairs                               | 7,000             | 6,518          | 482             |
| Warning and communication                    | 85,900            | 85,916         | (16)            |
| Medical supplies                             | 18,750            | 18,773         | (23)            |
| Travel                                       | 13,000            | 12,050         | 950             |
| Employee retirement                          | 17,839            | 17,802         | 37              |
| Maintenance                                  | 7,200             | 7,608          | (408)           |
| Supplies                                     | 28,985            | 26,094         | 2,891           |
| Professional services                        | 29,000            | 28,863         | 137             |
| Capital outlays                              | 31,000            | 22,994         | 8,006           |
|  | <u>487,570</u>    | <u>475,695</u> | <u>11,875</u>   |
| <b><u>EXCESS OF REVENUES</u></b>             |                   |                |                 |
| <b><u>OVER (UNDER) EXPENDITURES</u></b>      | 267,250           | 303,276        | 36,026          |
| <b><u>FUND BALANCE-BEGINNING OF YEAR</u></b> | <u>374,000</u>    | <u>372,865</u> | <u>(1,135)</u>  |
| <b><u>FUND BALANCE-END OF YEAR</u></b>       | <u>641,250</u>    | <u>676,141</u> | <u>34,891</u>   |

(1) Modified accrual basis of accounting.

See Accountant's Compilation Report and Notes to the Financial Statement



**SUPPLEMENTAL INFORMATION**

**Richard C. McCallister**  
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June 10, 2004

Caddo Bossier Office of Homeland Security and Emergency Preparedness  
Bossier City, Louisiana

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

To the Executive Council,

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Caddo Bossier Office of Homeland Security and the legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Caddo Bossier Office of Homeland Security compliance with certain laws and regulations during the twelve months ended December 31, 2003 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 and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. Consequently, I 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-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$15,000 and or 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 me with the required list including the noted information.

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

Management provided me with the required list.

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.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

*Budgeting*

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

Management provided me with a copy of the original budget. There were no amendments to the budget during the year.

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

I traced the adoption of the original budget to the minutes of the adoption meeting, which indicated that the budget has been adopted by the executive council. No amendments were made to the budget during the year.

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

Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

### *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;

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

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 approvals for the director and assistant director.

### *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 meeting law).

Caddo Bossier Office of Homeland Security and Emergency Preparedness is only required to post a notice of each meeting and the accompanying agenda on the door of the agency's office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

### *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.

I inspected copies of all bank deposit slips 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.

A reading of the minutes of the agency for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances with would indicate payments to employees with would constitute bonuses, advances, or gifts.

Our prior year report, dated June 13, 2003, included unresolved matters which are addressed in the accompanying management's schedule of prior audit findings.

We were not engaged to, and did not; perform an examination, the objective for which would be the expression of an opinion of 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 of Caddo Bossier Office of Homeland Security and Emergency Preparedness 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Yours Truly,

  
Richard C  
McCallister

Richard C. McCallister

Digitally signed by  
Richard C McCallister  
DN: cn=Richard C  
McCallister, o=Richard C  
McCallister, CPA, c=US  
Date: 2004.08.30  
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**CADDO-BOSSIER OFFICE OF EMERGENCY PREPAREDNESS**  
**MANAGEMENT'S SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEARS ENDED DECEMBER 31, 2003**

| Ref. No.  | Fiscal Year Finding Initially Occurred | Description of Finding                          | Corrective Action Taken | Planned Corrective Action/Partial Corrective Action Taken |
|---|--|---|-------------------------|---|
| <b>Section I – Internal control and compliance material to the financial statements</b> |  |   |                         |   |
| 2002-1  | 12/31/02                               | Timely financial filing                         | Yes                     |   |
| 2002-2  | 12/31/02                               | Budgets not advertised for inspection by public | No                      | Will follow for 2005 budget                               |
| 2002-3  | 12/31/02                               | Public Bid law                                  | Yes                     |   |
| <b>Section II – Management letter</b>   |  |   |                         |   |
| None  |  |   |                         |   |