

## REPORT

ST. TAMMANY PARISH FIRE PROTECTION  
DISTRICT NO. 9

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 9.8.04

ST. TAMMANY PARISH FIRE PROTECTION  
DISTRICT NO. 9

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May 26, 2004

To the Board of Commissioners of  
St. Tammany Parish Fire Protection District No. 9  
P. O. Box 213  
Bush, Louisiana 70431

We have compiled the accompanying financial statements of the governmental activities and each major fund of St. Tammany Parish Fire Protection District No. 9, a component unit of the St. Tammany Parish Government, State of Louisiana, as of and for the year ended December 31, 2003, 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 or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated May 26, 2004 on the results of our agreed-upon procedures.

**Duplantier, Hrapmann, Hogan & Maher, L.L.P.**

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 BUSH, LOUISIANA  
 MANAGERMENTS' DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

This section of The St. Tammany Parish Fire Protection District No. 9 (the District) annual financial report presents Management's analysis of the District's financial performance for the year ended December 31, 2003. This analysis should be read in conjunction with the compiled financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The District's net assets increased by \$129,785.  
 The general revenues of the District were \$282,987.  
 The total expenditures/expenses of the District were \$153,202.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of three sections: Management's Discussion and Analysis, compiled financial statements and supplementary information. The financial statements also include notes that provide additional detail of the information included in the financial statements.

BASIC FINANCIAL STATEMENTS

The financial statements of the District report information about the District using accounting methods similar to those used by private companies. These financial statements provide financial information about the activities of the District.

The Statement of Net Assets (page 5) presents the current and long-term portions of assets and liabilities separately.

The Statement of Governmental Fund Revenues, Expenditures and Changes in the Fund Balance/Statement of Activities (page 6) presents information on how the District's net assets changed as a result of current period operations.

The following presents condensed financial information of the District:

SUMMARY OF NET ASSETS

<u>ASSETS:</u>	
Current assets	\$ 421,446
Capital assets	<u>336,755</u>
Total assets	<u>758,201</u>
<u>LIABILITIES</u>	
Current liabilities	\$ 13,565
Long-term liabilities	<u>35,000</u>
Total liabilities	<u>48,565</u>

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 BUSH, LOUISIANA  
 MANAGERMENTS' DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

NET ASSETS

Invested in capital assets, net of related debt	290,755
Unrestricted	<u>418,881</u>
Total net assets	<u>\$ 709,636</u>

SUMMARY OF REVENUES, EXPENDITURES/EXPENSES  
 AND CHANGES IN NET ASSETS

General revenues	\$ 282,987
Expenditures/expenses	<u>(153,202)</u>
Change in net assets	<u>\$ 129,785</u>

CAPITAL ASSETS

Following is a schedule of capital assets, net of accumulated depreciation:

Land	\$ 27,233
Buildings and improvements	61,980
Equipment	<u>247,542</u>
Total capital assets, net of accumulated depreciation	<u>\$ 336,755</u>

The major additions to capital assets during the year consisted of three fire trucks and a parcel of land.

DEBT

The District has one certificate of indebtedness outstanding at December 31, 2003, with a balance of \$46,000.

BUDGET ANALYSIS

A comparison of budget to actual operations is a required supplementary statement and is presented in the accompanying supplementary information.

The significant differences between final budgeted amounts and actual budgeted amounts are as follows:

1. Grant revenue exceeded the final budgeted amount by \$35,609.
2. Capital outlay expenditures exceeded the final budgeted amount by \$109,827.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
BUSH, LOUISIANA  
MANAGEMENTS' DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

BUDGET ANALYSIS (Continued)

The above differences occurred because certain capital outlay expenditures were not included in the budget because the items were purchased with prior year's accumulated net assets and current year grant revenue that had not been budgeted. The requirements of the Budget Act regarding items purchased with accumulated net assets and grant revenue were misunderstood by management, and these items were not budgeted. In the future all items will be budgeted in accordance with the Budget Act.

COMPARISON TO PRIOR YEAR

In future years, management's discussion and analysis will include comparisons to prior year information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Management considered the following factors when setting the budget for the year ended December 31, 2004:

1. There is expected to be continued growth in ad valorem tax revenue.
2. It is anticipated that the District will receive an additional \$65,000 in grant revenue. The revenue will be used to purchase fire-fighting equipment.
3. It is anticipated that the District will borrow approximately \$200,000. The funds will be used to build a new fire station.

CONTACTING THE DISTRICT'S MANAGEMENT

This compilation report is designed to provide a general overview of the District and to demonstrate the District's accountability for its finances. If you have any questions about this report or need additional information, please contact Mr. Harvey C. Haydon, Jr., Treasurer, St. Tammany Parish Fire Protection District No. 9, P. O. Box 213, Bush, Louisiana, 70431.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 BUSH, LOUISIANA  
 STATEMENT OF NET ASSETS  
DECEMBER 31, 2003  
 (Unaudited)

	<u>General Fund</u>	<u>Adjustments*</u>	<u>Statement of Net Assets</u>
<b>ASSETS</b>			
Cash and cash equivalents (Note 2)	\$ 197,710	\$ -	\$ 197,710
Ad valorem taxes receivable	223,736	-	223,736
Land, building, and equipment (net of allowance for depreciation) (Notes 1 and 3)	<u>-</u>	<u>336,755 (1)</u>	<u>-</u> <u>336,755</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 421,446</u></b>	<b><u>\$ 336,755</u></b>	<b><u>\$ 758,201</u></b>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,701	\$ -	\$ 1,701
Payroll taxes payable	864	-	864
Certificate of indebtedness: (Note 4)			
Due within one year	-	11,000 (2)	11,000
Due in more than one year	<u>-</u>	<u>35,000 (2)</u>	<u>-</u> <u>35,000</u>
<b>TOTAL LIABILITIES</b>	<b><u>2,565</u></b>	<b><u>46,000</u></b>	<b><u>48,565</u></b>
<b>FUND BALANCE/NET ASSETS</b>			
Unreserved, undesignated	<u>418,881</u>	(418,881)	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u>\$ 421,446</u></b>		
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt		290,755	290,755
Unrestricted		<u>418,881</u>	<u>418,881</u>
<b>TOTAL NET ASSETS</b>		<b><u>\$ 290,755</u></b>	<b><u>\$ 709,636</u></b>

**\*Explanation**

(1) Capital assets, net of the depreciation allowance, are recorded on the statement of net assets, but not within the fund statements of the General Fund.

(2) Long-term liabilities, such as certificates of indebtedness, are recorded on the statement of net assets, but not within the fund statements of the General Fund.

See accountant's compilation report and accompanying notes.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 BUSH, LOUISIANA  
 STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES  
 AND CHANGES IN THE FUND BALANCE/STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2003  
 (Unaudited)

	<u>General Fund</u>	<u>Adjustments*</u>	<u>Statement of Activities</u>
<b>EXPENDITURES/EXPENSES:</b>			
Public safety - fire protection	\$ 107,827	\$ -	\$ 107,827
Debt service:			
Interest	3,080	-	3,080
Principal	10,000	(10,000) (1)	-
Depreciation	-	27,646 (2)	27,646
Capital outlay	151,527	(136,878) (2)	14,649
Total expenditures/expenses	<u>272,434</u>	<u>(119,232)</u>	<u>153,202</u>
<b>GENERAL REVENUES:</b>			
Taxes:			
Ad valorem taxes	214,954	-	214,954
Intergovernmental revenues:			
State revenue sharing	13,783	-	13,783
Fire insurance rebate	8,620	-	8,620
Grants	35,609	-	35,609
Interest	4,054	-	4,054
Miscellaneous	5,967	-	5,967
Total general revenues	<u>282,987</u>	<u>-</u>	<u>282,987</u>
Excess deficiency of general revenues over expenditures/expenses	10,553	(10,553)	-
Change in net assets	-	129,785	129,785
<b>Fund Balance/Net Assets:</b>			
Beginning of Year (Note 8)	408,328	171,523	579,851
End of Year	<u>\$ 418,881</u>	<u>\$ 290,755</u>	<u>\$ 709,636</u>

**\*Explanation**

- (1) Decrease in long term obligation for certificates of indebtedness  
 (2) Reclassify capital asset purchases and record depreciation

See accountant's compilation report and accompanying notes.



ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

ORGANIZATION

The St. Tammany Parish Fire Protection District No. 9 (the District) was created by the St. Tammany Parish Government, as authorized by Louisiana Revised Statute 40:1492 effective November 18, 1976. The District primarily purchases and maintains fire equipment and provides fire protection for those areas contained in the district. The St. Tammany Parish Government appoints a five-member board to govern District No. 9.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the St. Tammany Parish Government is the financial reporting entity for St. Tammany Parish. The financial reporting entity consists of (a) the primary government (parish government), (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.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Tammany Parish Government 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:

- 1) Appointing a voting majority of an organization's governing body, and
  - a) the ability of the parish government 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 parish government.
- 2) Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
- 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.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

REPORTING ENTITY: (Continued)

For the following reasons, the District is considered to be a component unit of the St. Tammany Parish Government, the reporting entity:

1. The commissioners of the District are appointed by the St. Tammany Parish Government.
2. The District provides fire protection to residents within St. Tammany Parish.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

BASIS OF PRESENTATION:

The accompanying financial statements of the St. Tammany Parish Fire District No. 9 have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

These financial statements include the implementation of GASB Statement Number 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments* and related standards. This new standard provides for significant changes in terminology, recognition of contributions in the Statement of Revenues, Expenses and Changes in Net Assets, inclusion of a management discussion and analysis as supplementary information and other changes.

BASIS OF ACCOUNTING:

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

In accordance with *Statement of Governmental Accounting Standard 34*, the District presents a Statement of Net Assets and Statement of Activities. These statements reflect entity-wide operations of the District. The District has no fiduciary funds or component units. The District has only a General Fund.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BASIS OF PRESENTATION: (Continued)

Within the accompanying statements, the General Fund column of the Statement of Net Assets and the Statement of Activities reports all activities of the District using the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Management considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Ad valorem taxes and the related State revenue sharing (which is based on population and homesteads in the parish) are recorded in the year the taxes are assessed. Ad valorem taxes are assessed for the calendar year, 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 and substantially all other revenues are recorded when earned.

The General Fund column is adjusted to create a Statement of Net Assets and Statement of Activities. Within this column, amounts are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

CAPITAL ASSETS:

Capital assets, which include property, equipment, and buildings, are reported in the statement of net assets. Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	20 - 40 years
Equipment	5 -10 years
Fire trucks	15 years

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

BUDGETARY REPORTING:

The District's budgetary process accounts for certain transactions on a basis other than GAAP. The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures are recorded when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting in the statement of revenue, expenditures and changes in fund balance. A reconciliation of the resulting timing differences is presented below:

	<u>Amount</u>
Excess (deficiency) of revenues over expenditures (budgetary basis)	\$ (27,613)
Revenue accrual – beginning of year	(186,065)
Revenue accrual – end of year	223,736
Accounts payable – beginning of year	2,196
Accounts payable – end of year	<u>(1,701)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES (GAAP BASIS)</b>	<b><u>\$ 10,553</u></b>

Louisiana Statute R.S. 39:1309 requires revision of the budget when actual revenues fail to meet budgeted revenues by 5% or more and/or actual expenditures exceed budgeted expenditures by 5% or more. For the year ended December 31, 2003, actual expenditures exceeded budgeted amounts by more than 5%.

2. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents consist of amounts in demand deposit accounts and savings accounts. Deposits of the District in the amount of \$198,213 (bank balance) are held by one financial institution and are fully insured or collateralized as of December 31, 2003.

3. CAPITAL ASSETS:

A summary of changes in capital assets follows:

	Balance January 1, <u>2003</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2003</u>
Capital assets, not being depreciated:				
Land	\$ <u>5,500</u>	\$ <u>21,733</u>	\$ <u>--</u>	\$ <u>27,233</u>
Total capital assets, not being depreciated	<u>5,500</u>	<u>21,733</u>	<u>--</u>	<u>27,233</u>

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9,  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

3. CAPITAL ASSETS: (Continued)

	Balance January 1, <u>2003</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2003</u>
Capital assets, being depreciated:				
Buildings and improvements	103,144	--	--	103,144
Equipment	<u>491,526</u>	<u>115,145</u>	--	<u>606,671</u>
Total capital assets, being depreciated	<u>594,670</u>	<u>115,145</u>	--	<u>709,815</u>
Less accumulated depreciation for:				
Buildings and improvements	(38,585)	(2,579)	--	(41,164)
Equipment	<u>(334,062)</u>	<u>(25,067)</u>	--	<u>(359,129)</u>
Total accumulated depreciation	<u>(372,647)</u>	<u>(27,646)</u>	--	<u>(400,293)</u>
Total capital assets being depreciated	<u>222,023</u>	<u>87,499</u>	--	<u>309,522</u>
CAPITAL ASSETS, NET	<u>\$ 227,523</u>	<u>\$ 109,232</u>	<u>\$ --</u>	<u>\$ 336,755</u>

4. CHANGES IN GENERAL LONG-TERM OBLIGATIONS:

The following is a summary of the long-term obligation transactions for the year ended December 31, 2003:

	\$100,000 <u>ISSUE</u>
Certificates of indebtedness payable at December 31, 2002	\$ 56,000
Reductions	<u>(10,000)</u>
Certificates of indebtedness payable at December 31, 2003	\$ <u>46,000</u>
Amount due within one year	\$ <u>11,000</u>

The \$100,000 issue bears interest at five and a half percent and matures in 2007. The certificates are secured by the ad valorem tax on property in the District.

The following amounts are expected future maturities of the certificates of indebtedness at December 31, 2003:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2004	\$ 11,000	\$ 2,530	\$ 13,530
2005	11,000	1,925	12,925
2006	12,000	1,320	13,320
2007	<u>12,000</u>	<u>660</u>	<u>12,660</u>
Total	<u>\$ 46,000</u>	<u>\$ 6,435</u>	<u>\$ 52,435</u>

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

5. LEVIED TAXES:

The following ad valorem taxes were authorized and were levied for the year ended December 31, 2003:

<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
10.00	10.00	2011
25.00	25.00	2011

6. USE OF ESTIMATES:

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

7. DONATED SERVICES:

No amounts have been reflected in the financial statements for donated services. Donated services were not recorded due to the fact that the value of these services were not readily determinable. However, a substantial number of volunteers have donated significant amounts of their time in the fire department's program services.

8. CHANGE IN ACCOUNTING PRINCIPLE:

The beginning net assets reflected in the statement of activities on page 5, has been restated to reflect the implementation of GASB Statement Number 34. The effect of this change in accounting principle is as follows:

	<u>Amount</u>
Equity at December 31, 2002:	
General Fund	\$ 408,328
General Fixed Assets	616,275
General Long-Term Obligations	<u>(56,000)</u>
Total Equity at December 31, 2002	968,603
Adjustments affecting net assets at December 31, 2002:	
Accumulated Depreciation	(372,647)
Increase in capitalization threshold	<u>(16,105)</u>
Net Assets at January 1, 2003, As Restated	<u>\$ 579,851</u>

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9  
 BUSH, LOUISIANA  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003  
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u>	<u>Differences</u> <u>Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Taxes:				
Ad valorem	\$ 170,000	\$ 170,000	\$ 177,283	\$ 7,283
Intergovernmental revenues:				
State revenue sharing	9,500	9,500	13,783	4,283
Fire insurance rebate	5,500	5,500	8,620	3,120
Grants	-	-	35,609	35,609
Interest	6,000	6,000	4,054	(1,946)
Miscellaneous	6,030	6,030	5,967	(63)
Total revenues	<u>197,030</u>	<u>197,030</u>	<u>245,316</u>	<u>48,286</u>
<b>EXPENDITURES:</b>				
Public safety - fire protection:				
Communications	7,000	7,000	4,565	2,435
Legal and accounting	8,000	8,000	8,530	(530)
Insurance	17,000	18,800	20,543	(1,743)
Miscellaneous	1,500	2,520	1,085	1,435
Office and medical supplies	4,250	4,550	4,251	299
Payroll taxes	2,000	2,000	1,951	49
Pensions	6,000	6,000	6,129	(129)
Repairs and maintenance	22,750	20,450	18,300	2,150
Salaries	24,000	24,000	23,085	915
Telephone	6,000	6,000	7,783	(1,783)
Training	4,200	1,000	680	320
Truck operating	3,500	3,500	3,695	(195)
Turnout gear and hoses	8,000	8,000	4,497	3,503
Utilities	3,200	3,200	3,228	(28)
Debt service:				
Principal	10,000	10,000	10,000	-
Interest	3,080	3,080	3,080	-
Capital outlay	39,000	41,700	151,527	(109,827)
Total expenditures/expenses	<u>169,480</u>	<u>169,800</u>	<u>272,929</u>	<u>(103,129)</u>
Excess (deficiency) of revenues over expenditures				
	27,550	27,230	(27,613)	(54,843)
Fund balances - beginning	224,459	224,459	224,459	-
Fund balances - ending	<u>\$ 252,009</u>	<u>\$ 251,689</u>	<u>\$ 196,846</u>	<u>\$ (54,843)</u>

See accountant's compilation report.

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED UPON PROCEDURES

May 26, 2004

Board of Commissioners  
St. Tammany Parish Fire  
Protection District No. 9  
P. O. Box 213  
Bush, Louisiana 70431

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of St. Tammany Fire Protection District No. 9 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about St. Tammany Parish Fire Protection District No. 9's compliance with certain laws and regulations during the year ended December 31, 2003 included in the *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.

The procedures performed are as follows:

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).

We examined documentation which indicated that applicable expenditures had been properly advertised and accepted in accordance with the public bid law, with the exception of one bid advertised for only 8 days prior to the opening of the bids, instead of the 15 days required by the public bid law.

It is recommended that management monitor the bid process to ensure all bids are properly advertised and accepted in accordance with Public Bid Law. Management has informed us that they will now implement procedures to ensure compliance with Public Bid Law in the future.



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.

Management provided us 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 us with a copy of the original budget and 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 and amendments to the minutes of meetings.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues met budgeted requirements. Actual expenditures exceeded budgeted amounts by more than 5%. This occurred because certain capital outlay expenditures were not included in the budget because the items were purchased with prior year's accumulated net assets and current year grant revenue that had not been budgeted.

It is recommended that management include all revenues and expenditures of the General Fund in the budget each year. Additionally, it is recommended that the budget be amended as required by the Budget Act. Management has informed us that they misunderstood the requirements of the Budget Act regarding items purchased with accumulated net assets and grant revenue. Management monitors and discusses the budget at each monthly board meeting. Management will now implement procedures to ensure compliance with the Budget Act in the future.

#### 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, (b) determine if payments were properly coded to the correct fund and general ledger account, and (c) determine whether payments received approval from proper authorities.

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, payments were properly coded to the correct fund and general ledger account and inspection of documentation supporting each of the six selected disbursements indicated proper approvals.

#### 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).

*No exceptions regarding compliance with the laws and regulations were noted.*

#### 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 deposit slips for the year 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 District for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances or gifts.

Our prior year report, dated April 29, 2003, did not include any comments or unresolved issues.

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 the Board of Commissioners and management of St. Tammany Parish Fire Protection District No. 9 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.

**Duplantier, Hrapmann, Hogan & Maher, L.L.P.**

St. Tammany Parish Fire Protection  
District No. 9

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Government)**  
\_\_\_\_\_ (Date Transmitted)

DuPlantier, Hrapmann, Hogan & Maher  
1240 POWERS STREET SUITE 2000  
NEW ORLEANS, LA 70112

(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 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**


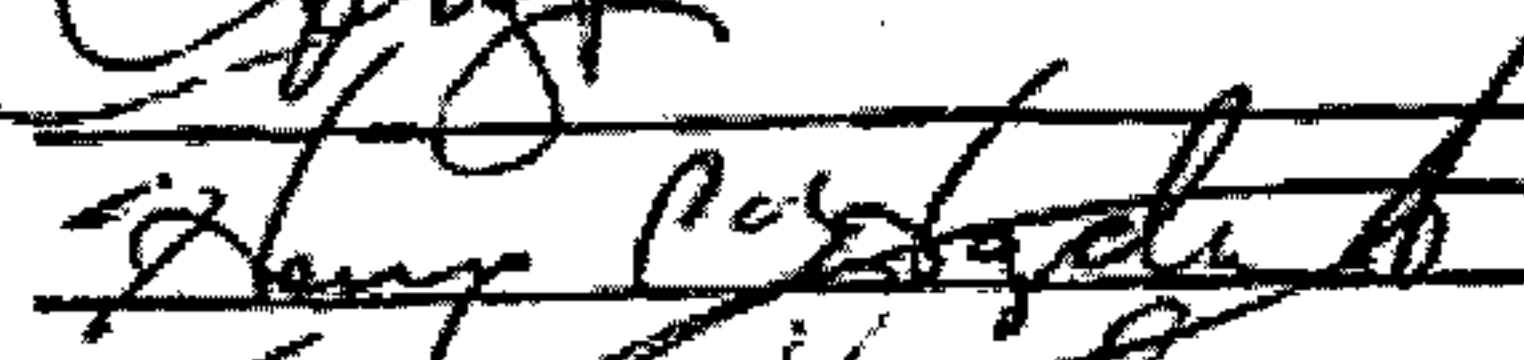
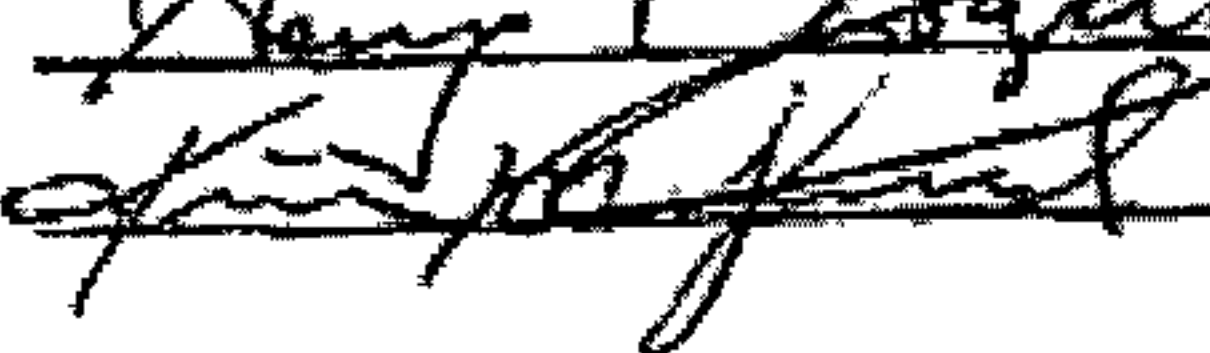
It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 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.

	Secretary	3-19-04	Date
	Treasurer	3-19-04	Date
	President	3-19-04	Date

**Note:** If the engagement is for a routine compilation/audit that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.