

CLAUDINE PARISE FIRE PROTECTION
DISTRICT NO. 4

Independent Accountant's Report on
Applying Agreed Upon Procedures,
December 31, 1996

3. Compare the revenues and expenditures of the final budgets to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by 5% or more.

I compared the revenues and expenditures of the final budgets to actual revenues and expenditures. Actual revenues did not fail to meet budgeted amounts by 5% or more, nor did actual expenditures exceed budgeted amounts by 5% or more.

Accounting and Reporting

8. Randomly select 6 disbursements made during each period under examination and:
- (a) trace payments to supporting documentation as to correct amount and payee;
 - (b) determine if payments were properly coded to the correct fund and general ledger account;
 - (c) determine whether payments received approval from proper authorities.

An examination of twelve randomly selected disbursements disclosed the following:

- (a) The twelve selected disbursements were for the proper amount as reflected on supporting documentation and were made to the correct payee.
- (b) All twelve payments were coded to the correct fund and general ledger account.
- (c) Inspection of documentation supporting each of the twelve disbursements indicated approvals from two board members. Further, the types of disbursements made were included in the district's approved budgets.

Meetings

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

I inquired of management whether agendas for meetings were posted at the meeting place at least twenty-four hours prior to the meeting. Management stated that agendas were posted. I recommended that agendas, indicating the posting date and time, be retained for the district's records.

CLAYBORNE PARISH FIRE PROTECTION DISTRICT NO. 4
 Homer, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
 Changes in Fund Balance -
 Budget (Cash Basis) and Actual
 For the Year Ended December 31, 1995

	BUDGET	ACTUAL	VARIANCE PROGRAM 1 (BUDGET-ACTUAL)
REVENUES			
Ad valorem taxes		\$83,721	\$83,721
Use of money and property	\$1,000	3,885	2,885
Total revenues	1,000	87,606	86,606
EXPENDITURES			
Current - public safety:			
Personnel services	4,980		4,980
Operating services	24,480	9,964	14,516
Materials and supplies	1,000	218	782
Travel and other charges		288	(288)
Intergovernmental	47,060	47,060	
Total expenditures	77,520	57,530	19,990
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(76,520)	30,076	106,594
FUND BALANCE AT BEGINNING OF YEAR	116,316	77,256	(39,060)
FUND BALANCE AT END OF YEAR	\$39,796	\$67,332	\$27,636

See accompanying notes and accountant's compilation report.

CLAIBORNE PARISH FIRE PROTECTION DISTRICT NO. 4
 Houma, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and
 Changes in Fund Balance -
 Budget (Cash Basis) and Actual
 For the Year Ended December 31, 1996

	BUDGET	ACTUAL	VARIANCE (EXCESS/DEFICIENCY)
REVENUES			
Ad valorem taxes	580,000	587,339	\$7,339
Use of money and property	1,000	5,342	4,342
Total revenues	<u>581,000</u>	<u>592,681</u>	<u>11,681</u>
EXPENDITURES			
Current - public safety:			
Operating services	50,000	66,476	16,476
Materials and supplies	1,000	1,354	(354)
Capital outlay	24,000	35,602	(11,602)
Intergovernmental	25,000	30,736	(5,736)
Total expenditures	<u>100,000</u>	<u>134,168</u>	<u>34,168</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(41,000)	6,514	26,114
FUND BALANCE AT BEGINNING OF YEAR	<u>70,000</u>	<u>62,644</u>	<u>(7,356)</u>
FUND BALANCE AT END OF YEAR	<u>\$29,000</u>	<u>\$74,158</u>	<u>\$23,758</u>

See accompanying notes and accountant's compilation report.

Statement B

CLAYBORNE PARISH FIRE PROTECTION DISTRICT NO. 4
Broussard, Louisiana
GOVERNMENTAL FUND TYPE - (GENERAL FUND)

Statement of Revenues, Expenditures, and
Changes in Fund Balance, By Year

	2024	2023
REVENUES		
Ad valorem taxes	\$184,083	\$84,527
Use of money and property	1,342	3,885
Total revenues	185,425	88,412
EXPENDITURES		
Current - public safety:		
Operating services	36,596	83,319
Material and supplies	13,485	1,002
Travel and other charges	655	387
Capital outlay	13,389	9,630
Intergovernmental	39,546	54,877
Total expenditures	103,671	149,815
EXCESS OF REVENUES OVER EXPENDITURES	81,754	22,547
FUND BALANCE AT BEGINNING OF YEAR	141,370	168,728
FUND BALANCE AT END OF YEAR	223,124	191,275

See accompanying notes and accountant's compilation report.

CLAIBORNE PARISH FIRE PROTECTION DISTRICT NO. 4
 Bogert, Louisiana
 ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1996

	GOVERNMENTAL FUND TYPE - GENERAL FUND	ACCOUNT GROUP - GENERAL FUND ASSETS	TOTAL MEMORANDUM (000.0)
ASSETS			
Cash	\$74,158		\$74,158
Receivables - ad valorem taxes	95,532		95,532
Fire fighting equipment		332,833	332,833
TOTAL ASSETS	<u>\$169,690</u>	<u>\$332,833</u>	<u>\$502,523</u>
LIABILITIES AND FUND EQUITY			
Liabilities - accounts payable	\$4,401	None	\$4,401
Fund Equity:			
Investment in general fixed assets		322,833	322,833
Fund balance - unreserved - undesignated	165,389		165,389
Total Fund Equity	<u>165,389</u>	<u>322,833</u>	<u>488,222</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$169,690</u>	<u>\$332,833</u>	<u>\$502,523</u>

See accompanying notes and accountant's compilation report.

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**



Accountant's Compilation Report

BOARD OF COMMISSIONERS
CLAIBORNE PARISH FIRE PROTECTION
DISTRICT NO. 4
Homer, Louisiana

I have compiled the accompanying general purpose financial statements, as listed in the foregoing table of contents, of the Claiborne Parish Fire Protection District No. 4 as of December 31, 1996, and for each of the years in the two-year period then ended, in accordance with standards established by *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. I have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or any form of assurance on them.


West Monroe, Louisiana
May 5, 1997

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CLAIBORNE PARISH FIRE PROTECTION DISTRICT NO. 4
Homer, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Two Years Ended
December 31, 1996

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**CLAYBORNE PARISH FIRE PROTECTION
DISTRICT NO. 4**

**Independent Accountant's Report on
Applying Agreed Upon Procedures,
December 31, 1996**

Debt

10. Examine bank deposits for each 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 deposit slips for each 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, advances, or gifts.

As stated in number 3 above, the district has no paid employees. A reading of the minutes of the board for the two years indicated no approval for the payments noted. I also inspected disbursements journals for the two years and noted no instances which would indicate payments to employees or the individuals under contract which would constitute bonuses, advances, or gifts.

General

12. The district's budget for the year ended December 31, 1995, was adopted on June 3, 1995. Louisiana Revised Statute 28:1208 requires that the budget be adopted prior to January 1st of each year. In a management letter to the board for the two years ended December 31, 1994, dated May 26, 1995, I informed the board of the statutory requirement. The board adopted the 1995 budget as noted above; however, the 1996 budget was adopted in December, 1995, as required.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

CLAIBORNE PARISH FIRE PROTECTION

DISTRICT NO. 4

Independent Accountant's Report on
Applying Agreed Upon Procedures,
December 31, 1996

This report is intended solely for the use of management of the Claiborne Parish Fire Protection District No. 4 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.



West Monroe, Louisiana

May 3, 1997

CLAIBORNE PARISH FIRE PROTECTION DISTRICT NO. 4
Homer, Louisiana

Notes to the Financial Statements
As of and for the Two Years Ended December 31, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Claiborne Parish Fire Protection District No. 4 was created by the Claiborne Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492, on March 9, 1989. The district is governed by a five member board appointed by the Claiborne Parish Police Jury, the Town of Homer, and by the board. Board members serve without benefit of compensation. The district is responsible for collecting an ad valorem tax within the boundaries of the district and for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district. As discussed in note 4, the district remains a portion of its land to the Town of Homer which is responsible for fire protection within the boundaries of the town.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Claiborne Parish Police Jury is the financial reporting entity for Claiborne Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationships 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 (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Claiborne Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. 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 police jury to impose its will on that organization and/or

See accountant's compilation report.

**CLABORNE PARISH FIRE PROTECTION
DISTRICT NO. 4**

**Independent Accountant's Report on
Applying Agreed Upon Procedures,
December 31, 1996**

Code of Ethics for Public Officials and Public Employees

3. 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.

The district has no employees. Consulting and bookkeeping services are provided on a contractual basis.

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

As stated above, the district has no employees. However, I determined that neither of the contractors appeared on the list provided by management in number 2 above.

Budgeting

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

Management provided me with a copy of the original budgets and the 1995 budget amendment. There were no amendments to the 1996 budget.

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

I traced the adoption of the original budgets to the minutes of meetings held on June 5, 1995 and December 5, 1995, which indicated that the budgets had been adopted by the Board of Commissioners of the Claborne Parish Fire Protection District No. 4 by voice of all in favor and none opposed. I also traced the adoption of the amendment to the 1995 budget to the minutes of a meeting held on December 3, 1995. There were no amendments to the 1996 budget.



**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

**BOARD OF COMMISSIONERS
CLAIBORNE PARISH FIRE PROTECTION
DISTRICT NO. 4**

Homer, Louisiana

I have performed the procedures included in the Louisiana Governmental Audit Guide and summarized below, which were agreed upon by the management of the Claiborne Parish Fire Protection District No. 4 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Claiborne Parish Fire Protection District No. 4's compliance with certain laws and regulations during each of the years in the two year period ended December 31, 1998 included in the accompanying Louisiana *Intercession Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. 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 each year for materials and supplies exceeding \$9,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2311-2251 (the public bid law).

A review was made of all disbursement journals for the two years. That review disclosed three expenditures made during the periods under examination for materials and supplies exceeding \$9,000. For each of these three expenditures, I determined that only one bid was received, the documentation supporting the expenditures agreed with the bids, and the requests for bids were advertised in accordance with the public bid law. No expenditures were disclosed for public works exceeding \$50,000.

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**Independent Accountant's Report on Applying
Agreed-Upon Procedures**

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Code* and the *Louisiana Director's Instructions*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

CLAYBORNE PARISH FIRE PROTECTION
DISTRICT NO. 4
Homer, Louisiana
Notes to the Financial Statements (Continued)

5. INTERGOVERNMENTAL AGREEMENT

On July 29, 1994, the district entered into an intergovernmental agreement with the Town of Homer whereby the district is responsible for collecting the ad valorem tax within the boundaries of the district and for making annual payments of \$25,000 to the town through 2003. The town is responsible for providing equipment, personnel and water for fire protection purposes for the town. Payments under this agreement totaled \$25,000 for 1994 and 1995.

6. SERVICES AGREEMENT

On January 12, 1993, the district entered into a contract with Dennis Boucher whereby the district agreed to pay Mr. Boucher \$700 per month (\$8,400 per year) for training services, consultation and other technological functions pertaining to the district. Payments under this agreement totaled \$8,400 and \$7,300 for 1994 and 1995, respectively, and are included in operating services expenditures.

See auditor's compilation report.

CLAIBORNE PARISH FIRE PROTECTION
DISTRICT NO. 4
Homer, Louisiana
Notes to the Financial Statements (Continued)

The following are the principal taxpayers for the parish and their 1996 assessed valuations:

	1996 Assessed Valuation	Percent of Total Assessed Valuation
Marathon Oil Company	\$3,878,400	6.77%
Ladlow Corporation	2,816,750	4.90%
Texas Gas Transmission Corporation	2,769,650	4.85%
Heard Producing Company, Inc.	1,898,760	2.96%
BellSouth Telecommunication	1,651,510	2.88%
Energy Louisiana, Inc.	1,606,600	2.80%
Hunt Oil Company	1,429,900	2.49%
Pan Energy Field Services, Inc.	1,272,960	2.22%
California Electric Co-op., Inc.	1,258,160	2.19%
Premier Bancorp, Inc.	982,130	1.71%
Total	<u>\$19,356,780</u>	<u>33.36%</u>

3. CHANGES IN GENERAL FIXED ASSETS

The following presents the changes in firefighting equipment for the two years ended December 31, 1996:

Balance, January 1, 1995	NONE
Additions:	
1995	99,650
1996	<u>13,700</u>
Balance, December 31, 1996	<u>\$133,950</u>

4. LITIGATION AND CLAIMS

The district is not involved in any litigation at December 31, 1996, nor is it aware of any asserted claims.

See accountant's compilation report.

**CLAIBORNE PARISH FIRE PROTECTION
DISTRICT NO. 4
Homer, Louisiana
Notes to the Financial Statements (Continued)**

Revenues

All valorem taxes are recorded in the year the taxes are due and payable. All valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1592 requires that the tax roll be filed on or before November 15 of each year. All valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year, and January and February of the ensuing year.

Interest income on demand deposits is recorded in the month the interest is earned and credited to the bank account.

Based on the above criteria, all valorem taxes have been treated as receivable to accrual.

Expenditures

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

E. BUDGET PRACTICES

The proposed budgets, prepared on the cash basis of accounting, were prepared and adopted by the board of commissioners in June, 1995 and December, 1995. The budget is established and controlled by the board of commissioners at the object level of expenditures. Encumbrance accounting is not utilized in the district's records. Appropriation lapse is year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners.

Formal budgetary integration is not employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following reconciles the excess of revenues over expenditures as shown on the budget comparison Statements C and D (budget basis) to the same amounts shown on Statement B (GAAP basis):

See accountant's compilation report.

CLAIBORNE PARISH FIRE PROTECTION
DISTRICT NO. 4
Homer, Louisiana
Notes to the Financial Statements (Continued)

used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Proprietary funds are used to account for assets held for others. The district's current operations require the use of only governmental funds (General Fund). The district's sources of revenue consist of an ad valorem tax and interest on demand deposits. General operating expenditures are paid from this fund.

C. FIXED ASSETS AND LONG-TERM DEBT

General fixed assets are not capitalized in the fund used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures (capital outlay) in the governmental fund and the related assets are reported in the general fixed assets account group. The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives are not capitalized. All general fixed assets are valued at historical cost. No depreciation has been provided on general fixed assets. The district has no long-term debt as of December 31, 1999.

D. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The district uses the following practices in recognizing and reporting revenues and expenditures:

CLATSOP COUNTY FIRE PROTECTION
DISTRICT NO. 4
Homer, Louisiana
Notes to the Financial Statements (Continued)

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury created the district, appoints certain commissioners of the district, and has the responsibility of obtaining federal grants on behalf of the district, the district was determined to be a component unit of the Clatsop County Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. FUND ACCOUNTING

The district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term debt) that are not recorded in the "Funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are

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**CLAIBORNE PARISH FIRE
PROTECTION DISTRICT NO. 4
Honey, Louisiana**

**General Purpose Financial Statements
With Accountant's Compilation Report
and Approval Procedures Report
As of and for the Two Years 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 auditor, or reviewed, exactly as delivered to appropriate public officials. This 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: MAY 24 1999

**VERNON R
COON**
MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS