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**KILBOURNE FIRE DISTRICT**

**KILBOURNE, LOUISIANA**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

**AUDIT REPORT**

Release Date DEC 9 1998

**FOR THE YEAR ENDED  
JUNE 30, 1998**

**PREPARED BY:**

**JOHN M. GATHINGS  
CERTIFIED PUBLIC ACCOUNTANT  
OAK GROVE, LOUISIANA 71263**

KILBOURNE FIRE DISTRICT

GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998

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**KILBOURNE FIRE DISTRICT**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 1998**

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**JOHN M. GATHINGS**  
**CERTIFIED PUBLIC ACCOUNTANT**  
**Hwy. 2 East – OAK GROVE, LOUISIANA 71263**

318/428-3549

P.O. Box 1088

Mr. Eddie Purvis, Fire Chief  
And Members of the Board of  
Kilbourne Fire District  
Kilbourne, Louisiana 71253

**INDEPENDENT AUDITOR'S REPORT**

Eddie Purvis, Fire Chief and  
Members of the Board

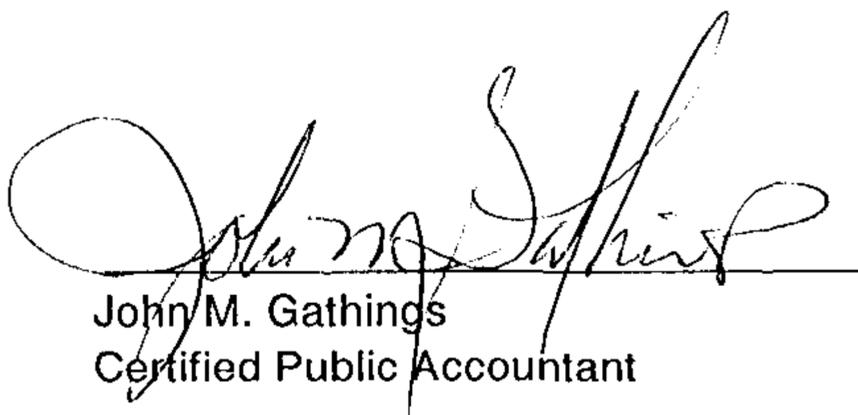
I have audited the general purpose financial statements of the Kilbourne Fire District, Kilbourne, Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above, present fairly, in all material respects, the financial position of the Kilbourne Fire District, Kilbourne, Louisiana, as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated November 10, 1998 on my consideration of the Kilbourne Fire District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was made for the purpose of forming an opinion on the general-purpose financial statements of Kilbourne Fire District taken as a whole. The accompanying schedule of Fixed Assets is presented for purposes of additional information and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.



John M. Gathings  
Certified Public Accountant

OAK GROVE, LOUISIANA  
NOVEMBER 10, 1998

**JOHN M. GATHINGS**  
**Certified Public Accountant**  
**Hwy. 2 East – Oak Grove, Louisiana 71263**

318/428-3549

P. O. Box 1088

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Mr. Eddie Purvis, Fire Chief  
and Members of the Board  
Kilbourne Fire District  
Kilbourne, Louisiana 71253

Mr. Purvis and Member of the Board:

I have audited the financial statements of the Kilbourne Fire District as of and for the year ended June 30, 1998, and have issued my report thereon dated November 10, 1998. My examination was made in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

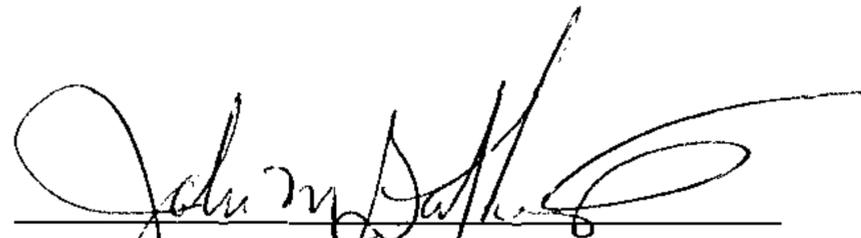
**Compliance**

As part of obtaining reasonable assurance about whether Kilbourne Fire District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and, accordingly, I do not express such an opinion. The results of my tests, disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

## Internal Control Over Financial Reporting

In planning and performing my audit, I considered Kilbourne Fire District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operations that I consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



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**JOHN M. GATHINGS**  
**CERTIFIED PUBLIC ACCOUNTANT**

OAK GROVE, LOUISIANA  
NOVEMBER 10, 1998

**KILBOURNE FIRE DISTRICT**  
**Kilbourne, Louisiana**  
**ALL FUND TYPES AND ACCOUNT GROUPS**

Balance Sheet  
JUNE 30, 1998

	<b>GOVERNMENTAL FUND TYPE GENERAL FUND</b>	<b>SPECIAL REVENUE FUND</b>
<b><u>ASSETS</u></b>		
<b><u>CURRENT ASSETS:</u></b>		
Cash and Cash Equivalents	\$4,595.85	\$25,175.72
Due From Village of Kilbourne	<u>0.00</u>	<u>3,185.00</u>
<b>TOTAL CURRENT ASSETS</b>	<b>\$4,595.85</b>	<b>\$28,360.72</b>
<b><u>PROPERTY AND EQUIPMENT:</u></b>		
Equipment (Net of Deprec.)	0.00	0.00
Assets under Capital Lease	<u>0.00</u>	<u>0.00</u>
<b>TOTAL PROPERTY and EQUIPMENT</b>	<b>\$0.00</b>	<b>\$0.00</b>
Amount to be Provided for Lease-Purchase Payment	<u>\$0.00</u>	<u>\$0.00</u>
<b>TOTAL AMOUNT TO BE PROVIDED</b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>
<b>TOTAL ASSETS</b>	<b><u><u>\$4,595.85</u></u></b>	<b><u><u>\$28,360.72</u></u></b>

ACCOUNT GROUPS			
GENERAL FIXED <u>ASSETS</u>	....	GENERAL LONG-TERM <u>DEBT</u>	TOTAL (MEMORANDUM <u>ONLY</u> )
\$0.00		\$0.00	\$29,771.57
<u>0.00</u>		<u>0.00</u>	<u>3,185.00</u>
\$0.00		\$0.00	\$32,956.57
22,457.93		0.00	22,457.93
<u>128,200.00</u>		<u>\$0.00</u>	<u>128,200.00</u>
\$150,657.93		\$0.00	\$150,657.93
<u>\$0.00</u>		<u>\$17,130.59</u>	<u>\$17,130.59</u>
<u>\$0.00</u>		<u>\$17,130.59</u>	<u>\$17,130.59</u>
<u>\$150,657.93</u>		<u>\$17,130.59</u>	<u>\$200,745.09</u>

(CONTINUED)

The accompanying notes are an integral part of this statement.

**KILBOURNE FIRE DISTRICT**  
**Kilbourne, Louisiana**

**Balance Sheet**  
**JUNE 30, 1998**

	<b>GOVERNMENTAL FUND TYPE GENERAL <u>FUND</u></b>	<b>SPECIAL REVENUE <u>FUND</u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>		
<b>LIABILITIES:</b>		
Capital Lease-Purchase	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Fund Equity:</b>		
Investment in general fixed assets	\$0.00	\$0.00
Fund Balance-Unreserved-undesignated	\$4,595.85	11,230.13
Fund Balance-Designated	<u>0.00</u>	<u>17,130.59</u>
<b>Total Fund Equity</b>	<b><u>\$4,595.85</u></b>	<b><u>\$28,360.72</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u><u>\$4,595.85</u></u></b>	<b><u><u>\$28,360.72</u></u></b>

ACCOUNT GROUPS			
GENERAL FIXED <u>ASSETS</u>	....	GENERAL LONG-TERM <u>DEBT</u>	TOTAL (MEMORANDUM <u>ONLY</u> )
0.00		\$17,130.59	\$17,130.59
\$0.00		\$17,130.59	\$17,130.59
\$150,657.93		\$0.00	\$150,657.93
0.00		0.00	\$15,825.98
<u>0.00</u>		<u>0.00</u>	<u>\$17,130.59</u>
<u>\$150,657.93</u>		<u>\$0.00</u>	<u>\$183,614.50</u>
<u><u>\$150,657.93</u></u>		<u><u>\$17,130.59</u></u>	<u><u>\$200,745.09</u></u>

(CONCLUDED)

The accompanying notes are an integral part of this statement.

**KILBOURNE FIRE DISTRICT**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**All Fund Types**  
**For the Year Ended June 30, 1998**

**REVENUES:**

2% Fire Insurance Rebate	\$3,482.78
Miscellaneous	400.00
Sales Taxes	<u>43,162.80</u>
<b>TOTAL REVENUES</b>	<b>\$47,045.58</b>

**EXPENDITURES:**

Supplies	\$11.96
Insurance	458.00
Utilities	347.98
Office Expense	279.15
Fuel	243.81
Miscellaneous	490.00
Capital Outlay	26,141.41
Rent	1,500.00
Accounting	<u>300.00</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$29,772.31</u></b>

**EXCESS OF REVENUES OVER EXPENDITURES** **\$17,273.27**

**FUND BALANCE AT BEGINNING OF YEAR** **\$15,683.30**

**FUND BALANCE AT THE END OF YEAR** **\$32,956.57**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**KILBOURNE FIRE DISTRICT**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**All Fund Types**  
**For the Year Ended June 30, 1998**

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>			
2% Fire Insurance Rebate	\$3,500.00	\$3,482.78	(\$17.22)
Other	400.00	400.00	0.00
Sales Taxes	<u>43,000.00</u>	<u>43,162.80</u>	<u>162.80</u>
<b>TOTAL RECEIPTS</b>	<b>\$46,900.00</b>	<b>\$47,045.58</b>	<b>\$145.58</b>
<b>EXPENDITURES:</b>			
Insurance	\$460.00	\$458.00	\$2.00
Capital Outlay	26,500.00	26,141.41	358.59
Office Expense	550.00	279.15	270.85
Supplies	100.00	11.96	88.04
Legal & Accounting	300.00	300.00	0.00
Miscellaneous	500.00	490.00	10.00
Utilities	360.00	347.98	12.02
Fuel	200.00	243.81	(43.81)
Rent	<u>1,500.00</u>	<u>1,500.00</u>	<u>0.00</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$30,470.00</u></b>	<b><u>\$29,772.31</u></b>	<b><u>\$697.69</u></b>
<b>EXCESS OF RECEIPTS OVER</b> <b>EXPENDITURES</b>	<b>\$16,430.00</b>	<b>\$17,273.27</b>	<b><u>\$843.27</u></b>
<b>FUND BALANCE AT BEGINNING OF</b> <b>YEAR</b>	<b><u>\$15,683.30</u></b>	<b><u>\$15,683.30</u></b>	
<b>FUND BALANCE AT THE END OF YEAR</b>	<b><u>\$32,113.30</u></b>	<b><u>\$32,956.57</u></b>	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**KILBOURNE FIRE DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
**For the Year Ended June 30, 1998**

**REVENUES:**

2% Fire Insurance Rebate	\$3,482.78
Miscellaneous	<u>400.00</u>
<b>TOTAL REVENUES</b>	<b>\$3,882.78</b>

**EXPENDITURES:**

Rent	\$1,500.00
Gas	243.81
Office Expense	100.15
Utilities	347.98
Capital Outlay	322.24
Accounting	300.00
Miscellaneous	490.00
Insurance	<u>458.00</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$3,762.18</u></b>

**EXCESS OF REVENUES OVER EXPENDITURES** \$120.60

**FUND BALANCE AT BEGINNING OF YEAR** \$4,475.25

**FUND BALANCE AT THE END OF YEAR** \$4,595.85

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.**

**KILBOURNE FIRE DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**General Fund**  
**For the Year Ended June 30, 1998**

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>			
2% Fire Insurance Rebate	\$3,500.00	\$3,482.78	(\$17.22)
Other Income	<u>400.00</u>	<u>400.00</u>	<u>\$0.00</u>
<b>TOTAL REVENUES</b>	<b>\$3,900.00</b>	<b>\$3,882.78</b>	<b>(\$17.22)</b>
<b>EXPENDITURES:</b>			
Accounting	\$300.00	\$300.00	0.00
Office Expense	350.00	100.15	249.85
Utilities	360.00	347.98	12.02
Fuel	200.00	243.81	(43.81)
Rent	1,500.00	1,500.00	0.00
Capital Outlay	500.00	322.24	177.76
Miscellaneous	500.00	490.00	10.00
Insurance	<u>460.00</u>	<u>458.00</u>	<u>2.00</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$4,170.00</u></b>	<b><u>\$3,762.18</u></b>	<b><u>\$407.82</u></b>
<b>EXCESS OF REVENUES OVER</b> <b>EXPENDITURES</b>	<b>(\$270.00)</b>	<b>\$120.60</b>	<b><u>\$390.60</u></b>
<b>FUND BALANCE AT BEGINNING OF</b> <b>YEAR</b>	<b><u>\$4,475.25</u></b>	<b><u>\$4,475.25</u></b>	
<b>FUND BALANCE AT THE END OF YEAR</b>	<b><u>\$4,205.25</u></b>	<b><u>\$4,595.85</u></b>	

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.**

**KILBOURNE FIRE DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Special Revenue Fund**  
**For the Year Ended June 30, 1998**

**REVENUES:**

Sales Taxes	\$43,162.80
TOTAL REVENUES	\$43,162.80

**EXPENDITURES:**

Supplies	\$11.96
Office	179.00
Capital Outlay	<u>25,819.17</u>
TOTAL EXPENDITURES	<u>\$26,010.13</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$17,152.67
FUND BALANCE AT BEGINNING OF YEAR	<u>\$11,208.05</u>
FUND BALANCE AT THE END OF YEAR	<u><u>\$28,360.72</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**KILBOURNE FIRE DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Budget (GAAP Basis) and Actual**  
**Special Revenue Fund**  
**For the Year Ended June 30, 1998**

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>			
Sales Taxes	<u>\$43,000.00</u>	<u>\$43,162.80</u>	<u>\$162.80</u>
<b>TOTAL REVENUES</b>	<b>\$43,000.00</b>	<b>\$43,162.80</b>	<b>\$162.80</b>
<b>EXPENDITURES:</b>			
Equipment Repair	\$0.00	\$0.00	\$0.00
Legal & Accounting	0.00	0.00	\$0.00
Office	200.00	179.00	\$21.00
Fuel	0.00	0.00	\$0.00
Capital Outlay	26,000.00	25,819.17	\$180.83
Utilities	0.00	0.00	\$0.00
Supplies	100.00	11.96	\$88.04
Miscellaneous	0.00	0.00	0.00
Capital Lease	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$26,300.00</u></b>	<b><u>\$26,010.13</u></b>	<b><u>\$289.87</u></b>
<b>EXCESS OF REVENUES OVER</b> <b>EXPENDITURES</b>	<b>\$16,700.00</b>	<b>\$17,152.67</b>	<b><u>\$452.67</u></b>
<b>FUND BALANCE AT BEGINNING OF</b> <b>YEAR</b>	<b><u>\$11,208.05</u></b>	<b><u>\$11,208.05</u></b>	
<b>FUND BALANCE THE END OF YEAR</b>	<b><u>\$27,908.05</u></b>	<b><u>\$28,360.72</u></b>	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

# KILBOURNE FIRE DISTRICT

Kilbourne, Louisiana

Notes to the Financial Statements  
For the Year Ended June 30, 1998

This legal entity was established to provide fire protection for the political subdivision of Ward 5 in the parish of West Carroll. This entity operates independent of any other parish governing body, but functions under guidelines set forth by the West Carroll Parish Police Jury. All members of the board serve with no compensation.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

### A. BASIS OF PRESENTATION

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

### B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the West Carroll Parish Police Jury is the financial reporting entity for West Carroll Parish. The financial reporting entity consist of (a) the primary government (police jury), (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 West Carroll Parish Police Jury 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 police jury to impose its will on that organization and/or

# KILBOURNE FIRE DISTRICT

Kilbourne, Louisiana

## Notes to the Financial Statements For the Year Ended June 30, 1998

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizatons 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's financial statements would be misleading if data of the organization is not included because of the *nature of significance of the relationship*.

Because the Kilbourne Fire District is fiscally dependent on the police jury, the district was determined to be a component unit of the West Carroll Parish 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.

### C. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recored in the funds because they do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursement

# KILBOURNE FIRE DISTRICT

Kilbourne, Louisiana

## Notes to the Financial Statements For the Year Ended June 30, 1998

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 district include:

1. 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.
2. Special Revenue Fund – used to account for the collection and expenditures of the special assessment collected by the district. These funds are for the expansion of the district's services.

### D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

#### Revenues:

All revenues are recorded when received.

#### Expenditures:

Expenditures are generally recognizable under the modified accrual basis of accounting, when the liability is incurred.

### E. BUDGETARY PRACTICES:

The Kilbourne Fire District did adopt a budget for the year 1998.

**KILBOURNE FIRE DISTRICT**  
Kilbourne, Louisiana

Notes to the Financial Statements  
For the Year Ended June 30, 1998

**F. CASH AND CASH EQUIVALENTS:**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

**G. FIXED ASSETS**

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

**H. COMPENSATED ABSENCES**

The district has no paid employees therefore there is no policy relating to vacation and sick leave.

**I. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. The district's expenditures for capital lease payments are in this amount and are recognized in the governmental funds when due. See Note 6 for amounts.

**KILBOURNE FIRE DISTRICT**  
Kilbourne, Louisiana

Notes to the Financial Statements  
For the Year Ended June 30, 1998

**J. FUND EQUITY**

**Reserves**

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

**Designated Fund Balances**

Designated fund balances represent tentative plans for future use of financial resources.

**K. TOTAL COLUMNS ON STATEMENTS**

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or result of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**2. CASH AND CASH EQUIVALENTS**

The Kilbourne Fire District maintains two checking accounts in the Regions Bank in Oak Grove, Louisiana. The account numbers are 4214003356 and 4207751745 and had a total balance at June 30, 1998 of \$29,771.57. These accounts are insured by the FDIC in the amount of \$100,000.00.

**3. LEASES**

The district records items under capital leases as assets and obligations in the accompanying financial statements. The following is a review of the capital lease at June 30, 1998.

The Kilbourne Fire District entered into a capital lease with Koch Financial Corporation of Wichita, Kansas. The equipment leased is a firetruck.

**KILBOURNE FIRE DISTRICT**  
Kilbourne, Louisiana

Notes to the Financial Statements  
For the Year Ended June 30, 1998

The principle amount of the lease is \$128,200.00. The lease calls for 10 annual payments in the amount of \$17,130.59 each. After the tenth payment, the equipment can be purchased for the sum of \$1.00. Final payment is due March 03, 2008. This lease has a nonappropriation clause which makes it in effect an annually renewed lease at the District's option. Under this condition, only the current year's payment is designated as reserved for debt.

**4. CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	<u>Balance</u> July 1, 1997	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> June 30, 1998
Equipment	\$49,021.85	\$26,141.41	\$0.00	\$75,163.26
Total	<u>\$49,021.85</u>	<u>\$26,141.41</u>	<u>\$0.00</u>	<u>\$75,163.26</u>

**5. RELATED PARTY TRANSACTIONS**

There are no related party transactions to disclose as required by FASB 57.

**6. LITIGATION AND CLAIMS**

The Kilbourne Fire District is not a defendant in any litigation seeking damages. The capital lease, referred to in Note 6, has a nonappropriation clause so that the Fire District can incur this debt without the State Bonding Commission's approval.

**7. SUBSEQUENT EVENTS**

The board met in July and elected all new officers and replaced some of the members on the board.

KILBOURNE FIRE DISTRICT  
List of Assets

June 30, 1998

	<u>COST</u>	<u>CURRENT YEAR DEPREC.</u>	<u>ACCUM. DEPREC.</u>	<u>BOOK VALUE</u>
* (1) 1970 Dodge Firetruck	\$30,000.00	\$0.00	\$30,000.00	\$0.00
* (2) Lawnmower	220.00	0.00	220.00	0.00
* (2) Bunker Coats & Pants	3,000.00	0.00	3,000.00	0.00
* (2) Helmets	1,500.00	0.00	1,500.00	0.00
* (2) Fire Ladder	100.00	0.00	100.00	0.00
* (2) Butane Heater	100.00	0.00	100.00	0.00
* (2) Asbestos Flame Suits	500.00	0.00	500.00	0.00
(2) Fire Swatters	120.00	0.00	120.00	0.00
(2) Sirens	81.00	0.00	81.00	0.00
(2) Warning Sirens	200.00	0.00	200.00	0.00
(1) Fire Risers	540.00	0.00	540.00	0.00
(2) Regency Radio (Spirit)	465.90	0.00	465.90	0.00
(2) (5) Motorola Pagers	1,637.98	0.00	1,637.98	0.00
(2) File Cabinet	103.95	0.00	103.95	0.00
(2) Fire Extinguisher	266.40	0.00	266.40	0.00
(2) Scanner	150.45	0.00	150.45	0.00
(2) Heater	399.90	0.00	399.90	0.00
(2) Fire Extinguisher	206.88	0.00	206.88	0.00
(1) Radios	1,710.00	171.00	855.00	855.00
(2) Equipment - 1995	1,089.00	217.80	653.40	435.60
(2) Chain Saw	217.75	43.55	87.10	130.65
(2) 11 HP Pump	600.00	120.00	240.00	360.00
(2) M1225 High Band Radi	731.20	146.24	146.24	584.96
(2) (10) Pagers	3,000.00	600.00	600.00	2,400.00
(2) 16 Channel Radio	877.60	175.52	175.52	702.08
(2) Charger & Adapter	105.00	21.00	21.00	84.00

(CONTINUED)

KILBOURNE FIRE DISTRICT  
List of Assets

June 30, 1998

	<u>COST</u>	<u>CURRENT YEAR DEPREC.</u>	<u>ACCUM. DEPREC.</u>	<u>BOOK VALUE</u>
(2) (2) Hand Held Radios	300.00	60.00	60.00	240.00
(2) Pager	300.00	60.00	60.00	240.00
(1) Riser	3,205.00	320.50	320.50	2,884.50
(1) 1200' 2.5" Hose	2,640.00	264.00	264.00	2,376.00
(1) 800' 1.5" Hose	1,040.00	104.00	104.00	936.00
(1) (4) Turbojet Nozzles	1,490.40	149.04	149.04	1,341.36
(2) (2) Playpipe	747.50	149.50	149.50	598.00
(1) 588 Hose Clamp	270.25	27.03	27.03	243.22
(1) Pick Head Ax	31.50	3.15	3.15	28.35
(1) Flat Head Ax	26.00	2.60	2.60	23.40
(1) Skull Saver	48.00	4.80	4.80	43.20
(1) 2.5" X 1.5" Wye	165.50	16.55	16.55	148.95
(1) 2.5" X 2.5" Gate Valve	224.25	22.43	22.43	201.82
(1) Four Liter Foam Kit	190.00	19.00	19.00	171.00
(2) (25) Hazclean	375.00	37.50	37.50	337.50
(1) (4) Stacked Tips	684.00	68.40	68.40	615.60
(2) (11) Pair Knee Boots	671.00	134.20	134.20	536.80
(2) (6) Yellow Helmets	684.00	136.80	136.80	547.20
(2) (6) Pair Gloves	180.00	36.00	36.00	144.00
(2) (3) Pair Pants	758.87	151.77	151.77	607.10
(2) (3) Coats	1,005.00	201.00	201.00	804.00
(2) (3) Pair Suspenders	54.00	10.80	10.80	43.20
(2) (5) Gear Bags	195.00	39.00	39.00	156.00
(2) High Band Radio/Ant.	646.00	129.20	129.20	516.80
(1) (2) 2.5" Akron 4825	759.00	75.90	75.90	683.10

(CONTINUED)

KILBOURNE FIRE DISTRICT  
List of Assets

June 30, 1998

	<u>COST</u>	<u>CURRENT YEAR DEPREC.</u>	<u>ACCUM. DEPREC.</u>	<u>BOOK VALUE</u>
(1) 1/3 Int. Radio Repeater	2,415.00	241.50	241.50	2,173.50
(2) Word Processor	<u>331.30</u>	<u>66.26</u>	<u>66.26</u>	<u>265.04</u>
 Grand Totals	 <u>\$67,359.58</u>	 <u>\$4,026.04</u>	 <u>\$44,901.65</u>	 <u>\$22,457.93</u>

(1) Depreciated over a period of 10 years.

(2) Depreciated over a period of 5 years.

\* Donated Assets- Recorded at estimated values.