

Financial Report
Schriever Fire Protection District
Schriever, Louisiana
For the year ended December 31, 2009

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 9/8/10



Bourgeois Bennett

Certified Public Accountants | Consultants
A Limited Liability Company

Financial Report
Schriever Fire Protection District
Schriever, Louisiana
For the year ended December 31, 2009

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Schriever Fire Protection District

For the year ended December 31, 2009

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FINANCIAL SECTION



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Schriever Fire Protection District,
Schriever, Louisiana.

We have audited the accompanying financial statements of the governmental activities and each major fund of Schriever Fire Protection District (the District), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the District's primary government as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 we 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. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data of the District's legally separate component unit, Schriever Volunteer Fire Department, Inc. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component unit. The District has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net assets, revenues, and expenses of the aggregate discretely presented component unit would have been reported as \$107,994 of assets, no liabilities, \$107,994 of net assets, \$9,262 of revenue and \$8,209 of expenses.

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In our opinion, because of the omission of the discretely presented component unit, as discussed above, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate discretely presented component units of the District as of December 31, 2009, the changes in financial position thereof for the year then ended.

Further, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of December 31, 2009, and the respective changes in financial position thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated May 17, 2010 on our consideration of Schriever Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 3 through 8 is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
May 17, 2010.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Schriever Fire Protection District

The Management's Discussion and Analysis of the Schriever Fire Protection District (the District) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The District's assets exceeded its liabilities at the close of fiscal year 2009 by \$709,138 (net assets), which represents an increase of 17.21% from last year.

The District's revenue decreased \$6,803 (or 1.47%) principally due to decreases in property taxes.

The District's expenses increased \$76,877 (or 28.07%) due an increase in public safety expense that was brought on by increases in supplies and materials and other services and charges.

The District did not have any funds with deficit fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's financial statements. The District's annual report consists of three parts: (1) management's discussion and analysis (this section) (2) financial statements and (3) various governmental compliance reports and schedules by certified public accountants and management.

The financial statements include two kinds of statements that present different views of the District:

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The statement of activities presents information showing how the District's net assets change during each fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the District is public safety.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the District are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The governmental fund financial statements can be found on pages 9-13 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provide in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. As of December 31, 2009, assets exceeded liabilities by \$709,138. A large portion of the District's net assets (56.93%) reflects its investment in capital assets (e.g., buildings; office furniture, fixtures and equipment; machinery and equipment (includes fire trucks)). Consequently, these assets are not available for future spending.

Condensed Statements of Net Assets

	December 31,		Dollar Change
	2009	2008	
Current and other assets	\$ 1,114,412	\$ 764,991	\$ 349,421
Capital assets	938,546	1,021,062	(82,516)
Total assets	<u>2,052,958</u>	<u>1,786,053</u>	<u>266,905</u>
Current and other liabilities	804,986	559,730	245,256
Long-term liabilities	538,834	621,316	(82,482)
Total liabilities	<u>1,343,820</u>	<u>1,181,046</u>	<u>162,774</u>
Net Assets:			
Invested in capital assets, net of related debt	403,696	404,692	(996)
Restricted	155,591	194,379	(38,788)
Unrestricted	149,851	5,936	143,915
Total net assets	<u>\$ 709,138</u>	<u>\$ 605,007</u>	<u>\$ 104,131</u>

The amount of current assets increased in 2009 due to increases in investments and amounts due from other governmental units. Current and other liabilities increased as amounts owed to Terrebonne Parish Consolidated Government for operating expenses increased. The long-term liabilities continue to decrease as the District makes payments on its debt.

Governmental Activities

Governmental activities increased the District's net assets by \$104,131. Key elements of this increase are as follows:

Condensed Changes in Net Assets

	For the year ended December 31,		Dollar Change	Total Percent Change
	2009	2008		
Revenues:				
Taxes	\$ 366,662	\$ 390,256	\$ (23,594)	-6.05%
Intergovernmental	62,369	60,503	1,866	3.08%
Miscellaneous	25,829	10,904	14,925	136.88%
Total revenues	<u>454,860</u>	<u>461,663</u>	<u>(6,803)</u>	-1.47%
Expenses:				
General Government	12,821	17,877	(5,056)	-28.28%
Public Safety	306,696	221,030	85,666	38.76%
Debt Service	31,212	34,945	(3,733)	-10.68%
Total expenses	<u>350,729</u>	<u>273,852</u>	<u>76,877</u>	28.07%
Increase in net assets	104,131	187,811	(83,680)	-44.56%
Net assets beginning of year	605,007	417,196	187,811	45.02%
Net assets end of year	<u>\$ 709,138</u>	<u>\$ 605,007</u>	<u>\$ 104,131</u>	17.21%

Tax revenues decreased with the decrease in millage in the debt service fund for the 2008 assessment which was recognized as revenue in 2009. Miscellaneous revenue increased with the receipt of insurance revenue, the sale of a generator, and a change in estimate on the value of a newly purchased brush truck. Public safety expenses increased with increases in other services and charges, repairs and maintenance, and supplies and materials.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$314,164 an increase of \$104,300 in comparison with the prior year. An unreserved fund balance of \$149,851 is available for spending at the District's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to debt service.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the fund balance of the General Fund was \$149,851 which was unreserved. The fund balance of the District's General Fund increased by \$143,915 during the current fiscal year.

General Fund Budgetary Highlights

The budget was amended once during the year. The primary reason for amending the budget would be to prevent compliance violations under state law. The major differences between the original General Fund budget and the final amended budget were as follows:

Revenues and Other Financing Sources

- State revenue sharing budget increased to recognize actual amounts received.
- 2% fire insurance rebate was increased to reflect actual amounts received.
- Interest revenue was decreased due to a decrease in interest rates

Expenditures

- Supplies and materials decreased to more accurately reflect anticipated expenditures.
- Other services and charges were decreased primarily due to decreases in office supplies, books and periodicals, operating supplies, and small tools and instruments.
- Capital outlay decreased by \$40,000 due to a decrease in anticipated equipment purchases.

During the year, both revenues exceeded budgetary estimates and expenditures were less than budgetary estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets for its governmental activities as of December 31, 2009, amounts to \$938,546 (net of accumulated depreciation). This investment in capital assets includes buildings, and improvements, office furniture, fixtures and equipment; and vehicles, machinery and equipment.

	<u>2009</u>	<u>2008</u>
Buildings and improvements	\$ 483,877	\$ 483,877
Office furniture, fixtures and equipment	17,305	17,305
Vehicles, machinery and equipment	<u>1,313,057</u>	<u>1,311,599</u>
Totals	<u>\$ 1,814,239</u>	<u>\$ 1,812,781</u>

Major capital asset events during the current fiscal year included the purchase of an ID badge system, air packs, a rescue tool and a washing machine for bunker gear.

Additional information on the District's capital assets can be found in the Note 5, Exhibit F of this report.

Long-term Debt

At December 31, 2009, the District had \$505,000 in general obligation bonds outstanding, down from \$555,000 for a decrease of \$50,000 which represents the principal payment during 2009. More detailed information about the District's long-term debt is presented in Note 8, Exhibit F of this report.

The District entered into a capital lease for a fire truck in 2004. The balance at December 31, 2009 is \$33,834, for a decrease of \$32,482, which was the amount of the 2009 payment.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- The ad valorem tax proceeds budgeted represents the estimated amount of the November 2009 assessment, which the District will receive, for the most part, in January 2010.
- Operating expenditures are anticipated to rise with the rise in cost for almost all aspects of basic operations.
- Capital outlay includes a purchase account established to help save for future purchases including fire hydrants and a new ladder truck.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Schriever Fire Protection District, 1529 West Park Avenue, P.O. Box 83, Schriever LA, 70395.

STATEMENT OF NET ASSETS AND GOVERNMENTAL FUND BALANCE SHEET**Schriever Fire Protection District**

December 31, 2009

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>	<u>Adjustments (Exhibit B)</u>	<u>Statement of Net Assets</u>
Assets					
Investments	\$ 418,416	\$ 32,849	\$ 451,265		\$ 451,265
Receivables - taxes	39,032	4,879	43,911		43,911
Due from other governmental units	424,469	190,784	615,253		615,253
Deferred bond issuance costs	-	-	-	\$ 3,983	3,983
Due from other funds	435	-	435	(435)	-
Capital assets -					
Depreciable, net of accumulated depreciation	-	-	-	938,546	938,546
Total assets	<u>\$ 882,352</u>	<u>\$ 228,512</u>	<u>\$ 1,110,864</u>	<u>942,094</u>	<u>2,052,958</u>
Liabilities					
Accounts payables and accrued expenditures	\$ 25,881	\$ 9,081	\$ 34,962	8,721	43,683
Due to Terrebonne Parish					
Consolidated Government	243,120	-	243,120	-	243,120
Due to other funds	-	435	435	(435)	-
Unearned revenue	463,500	54,683	518,183	-	518,183
Long-term liabilities:					
Due within one year	-	-	-	83,834	83,834
Due after one year	-	-	-	455,000	455,000
Total liabilities	<u>732,501</u>	<u>64,199</u>	<u>796,700</u>	<u>547,120</u>	<u>1,343,820</u>
Fund Balances/Net Assets					
Fund balances:					
Reserved - debt service	-	164,313	164,313	(164,313)	-
Designated for subsequent year's expenditures	-	-	-	-	-
Unreserved - undesignated	149,851	-	149,851	(149,851)	-
Total fund balances	<u>149,851</u>	<u>164,313</u>	<u>314,164</u>	<u>(314,164)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 882,352</u>	<u>\$ 228,512</u>	<u>\$ 1,110,864</u>		
Net assets:					
Invested in capital assets, net of related debt				403,696	403,696
Restricted - debt service				155,591	155,591
Unrestricted				149,851	149,851
Total net assets				<u>\$ 709,138</u>	<u>\$ 709,138</u>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET ASSETS**

Schriever Fire Protection District

December 31, 2009

Fund Balances - Governmental Fund **\$ 314,164**

Amounts reported for governmental activities in
the statement of net assets are different because:

Capital assets used in governmental activities
are not financial resources and, therefore,
are not reported in the governmental fund.

Governmental capital assets	\$ 1,814,239	
Less accumulated depreciation	<u>(875,693)</u>	938,546

Other assets used in governmental activities
are not financial resources and, therefore,
are not reported in the governmental funds.

Deferred bond issuance costs	4,945	
Less current year amortization	<u>(962)</u>	3,983

Long-term liabilities, including bonds payable, are
not due and payable in the current period and,
therefore, are not reported in the governmental funds.

Governmental bonds payable	(505,000)	
Accrued interest payable	(8,721)	
Capital lease payable	<u>(33,834)</u>	<u>(547,555)</u>

Net Assets of Governmental Activities **\$ 709,138**

See notes to financial statements.

**STATEMENT OF ACTIVITIES AND STATEMENT OF
GOVERNMENTAL FUND REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

Schriever Fire Protection District

For the year ended December 31, 2009

	General Fund	Debt Service Fund	Total	Adjustments (Exhibit D)	Statement of Activities
Revenues					
Taxes	\$ 325,917	\$ 40,745	\$ 366,662		\$ 366,662
Intergovernmental:					
State of Louisiana:					
State revenue sharing	26,229	-	26,229		26,229
Fire insurance tax	36,140	-	36,140		36,140
Miscellaneous					
Interest	1,291	-	1,291		1,291
Proceeds of capital asset disposition	-	-	-	5,400	4,000
Insurance proceeds	-	-	-	5,735	5,735
Other	-	-	-	14,803	14,803
Total revenues	<u>389,577</u>	<u>40,745</u>	<u>430,322</u>	<u>24,538</u>	<u>454,860</u>
Expenditures/Expenses					
Current:					
General government:					
Ad valorem tax adjustment and deductions	<u>11,396</u>	<u>1,425</u>	<u>12,821</u>	-	<u>12,821</u>
Public safety:					
Personal services	1,651	-	1,651	-	1,651
Supplies and materials	46,651	-	46,651	-	46,651
Other services and charges	90,152	-	90,152	13,816	103,968
Repairs and maintenance	41,606	-	41,606	-	41,606
Depreciation	-	-	-	112,203	112,203
Miscellaneous	-	617	617	-	617
Total public safety	<u>180,060</u>	<u>617</u>	<u>180,677</u>	<u>126,019</u>	<u>306,696</u>
Debt service:					
Principal retirement	32,482	50,000	82,482	(82,482)	-
Interest and fiscal charges	<u>2,759</u>	<u>28,318</u>	<u>31,077</u>	<u>135</u>	<u>31,212</u>
Total debt service	<u>35,241</u>	<u>78,318</u>	<u>113,559</u>	<u>(82,347)</u>	<u>31,212</u>
Capital outlay	<u>43,503</u>	-	<u>43,503</u>	<u>(43,503)</u>	-
Total expenditures/expenses	<u>270,200</u>	<u>80,360</u>	<u>350,560</u>	<u>169</u>	<u>350,729</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>119,377</u>	<u>(39,615)</u>	<u>79,762</u>	<u>24,369</u>	<u>104,131</u>
Other Financing Sources					
Proceeds of capital asset disposition	4,000	-	4,000	(4,000)	-
Insurance Proceeds	5,735	-	5,735	(5,735)	-
Other	<u>14,803</u>	-	<u>14,803</u>	<u>(14,803)</u>	-
Total other financing sources	<u>24,538</u>	-	<u>24,538</u>	<u>(24,538)</u>	-
Net Change in Fund Balance	<u>143,915</u>	<u>(39,615)</u>	<u>104,300</u>	<u>(104,300)</u>	-
Change in Net Assets	-	-	-	104,131	104,131
Fund Balances/Net Assets					
Beginning of year	<u>5,936</u>	<u>203,928</u>	<u>209,864</u>	<u>395,143</u>	<u>605,007</u>
End of year	<u>\$ 149,851</u>	<u>\$ 164,313</u>	<u>\$ 314,164</u>	<u>\$ 394,974</u>	<u>\$ 709,138</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES**

Schriever Fire Protection District

For the year ended December 31, 2009

Net Change in Fund Balances - Governmental Funds **\$ 104,300**

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 and reported as depreciation expense.

Capital outlay	\$ 43,503	
Depreciation expense	(112,203)	
Loss on Disposal	<u>(13,816)</u>	
Excess of capital outlay over depreciation expense		(82,516)

The issuance of long-term debt provides current financial resources
to governmental funds, while the repayment of the principal of
long-term debt consumes the current financial resources of
governmental funds. Neither transaction, however, has any
effect on net assets.

Principal payments		82,482
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Some expenditures reported in the statement of activities do not require
the use of current financial resources and, therefore, are not reported
as expenditures in governmental funds.

Amortization of deferred bond issuance costs	(962)	
Decrease in accrued interest payable	<u>827</u>	<u>(135)</u>

Change in Net Assets of Governmental Activities **\$ 104,131**

See notes to financial statements.

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

Schriever Fire Protection District

For the year ended December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 315,000	\$ 315,000	\$ 325,917	\$ 10,917
Intergovernmental:				
State of Louisiana:				
State revenue sharing	20,000	26,000	26,229	229
Fire insurance tax	32,000	36,000	36,140	140
Miscellaneous				
Interest	4,000	1,500	1,291	(209)
Total revenues	<u>371,000</u>	<u>378,500</u>	<u>389,577</u>	<u>11,077</u>
Expenditures				
Current:				
General government:				
Ad valorem tax adjustment and deductions	-	-	11,396	(11,396)
Public safety:				
Personal services	7,500	1,651	1,651	-
Supplies and materials	60,500	48,275	46,651	1,624
Other services and charges	110,200	95,475	90,152	5,323
Repairs and maintenance	57,800	46,700	41,606	5,094
Total public safety	<u>236,000</u>	<u>192,101</u>	<u>180,060</u>	<u>12,041</u>
Debt service:				
Principal retirement	-	-	32,482	(32,482)
Interest and fiscal charges	-	-	2,759	(2,759)
Total debt service	<u>-</u>	<u>-</u>	<u>35,241</u>	<u>(35,241)</u>
Capital outlay	<u>210,000</u>	<u>170,000</u>	<u>43,503</u>	<u>126,497</u>
Total expenditures	<u>446,000</u>	<u>362,101</u>	<u>270,200</u>	<u>91,901</u>
Excess (Deficiency) of Revenues Over Expenditures	(75,000)	16,399	119,377	102,978
Other Financing Sources				
Proceeds of capital asset disposition	-	-	4,000	4,000
Insurance proceeds	-	-	5,735	5,735
Other	-	-	14,803	14,803
Total other financing sources	<u>-</u>	<u>-</u>	<u>24,538</u>	<u>24,538</u>
Net Change in Fund Balance	(75,000)	16,399	143,915	127,516
Fund Balance				
Beginning of Year	<u>(30,000)</u>	<u>5,936</u>	<u>5,936</u>	<u>-</u>
End of Year	<u>\$ (105,000)</u>	<u>\$ 22,335</u>	<u>\$ 149,851</u>	<u>\$ 127,516</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Schriever Fire Protection District

December 31, 2009

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Schriever Fire Protection District (the District) conform to accounting principles generally accepted in the United States of America 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. The following is a summary of significant accounting policies:

a) Reporting Entity

The District is a component unit of Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 2009.

An objective of GASB Statement 14, The Financial Reporting Entity, and GASB Statement 39, Determining Whether Certain Organizations Are Component Units, is that all entities associated with a primary government or its component units are potential component units, themselves, and should be evaluated for inclusion in the financial reporting entity. Statement 39 amends Statement 14 to provide additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based upon the nature and significance of their relationship with the primary government or its component units. Generally, it requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. Organizations that are legally separate, tax-exempt entities and that meet all of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the District, its component units or its constituents.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Reporting Entity (continued)

2. The District, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the District, or its component units, is entitled to, or has the ability to otherwise access, are significant to the District.

The financial statements do not include the Schriever Volunteer Fire Department (the Department) which is considered to be a component unit of the District. The Department provides manpower, materials and supplies to the District for the purpose of providing public safety. As such, the accompanying financial statements are not intended to and do not report in accordance with generally accepted accounting principles.

b) Basis of Presentation

The District's financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements (individual major funds).

Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Assets and the Statement of Activities for all activities of the District. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues.

Fund Financial Statements:

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of Statement No. 34. Emphasis is now on the major funds in governmental categories. The daily accounts and operations of the District continue to be organized on the basis of a fund and

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Basis of Presentation (continued)

resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following are the governmental funds of the District:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund. The General Fund is always a major fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs and is reported as a major fund.

c) Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Government-wide Financial Statements:

The government-wide financial statements 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. Property taxes are recognized in the year for which they are levied.

Fund Financial Statements:

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 of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Measurement Focus and Basis of Accounting (continued)

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (Intergovernmental revenue) are recorded as revenue in the period for which levied. Thus, the 2009 property taxes which are being levied to finance the 2010 budget will be recognized as revenue in 2010. The 2009 tax levy is recorded as deferred revenue in the District's 2009 financial statements. Miscellaneous revenues are recorded as revenues when received in cash by the District or an intermediary collecting agency because they are generally not measurable or available until actually received. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due. Allocations of cost such as depreciation are not recognized in the governmental funds.

d) 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 and disclosures. Accordingly, actual results could differ from those estimates.

e) Operating Budgetary Data

As required by the Louisiana Revised Statute 39:1303, the Board of Commissioners (the Board) adopted a budget for the District's General Fund. The Board, as allowed by state law, does not obtain public participation in the budget process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District amended its budget once during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Accounts Receivable

The financial statements for the District contain no allowance for uncollectible accounts. Uncollectible receivables due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) Investments

Investments are stated at fair value as established by open market, except for the Louisiana Asset Management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met.

Investments during the year consisted of Certificates of Deposit, mortgage notes and LAMP.

h) Deferred Bond Issuance Costs

The District has recorded deferred bond issuance costs in its government-wide financial statements. Deferred bond issuance costs are amortized over the term of the related debt using the interest method.

i) Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$1,000 or more are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Capital Assets (continued)

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	20 - 40 years
Vehicles, machinery and equipment	5 - 20 years
Office furniture, fixtures and equipment	5 - 20 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

j) Long-Term Debt

The accounting treatment of long-term debt depends on whether they are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists of general obligation bonds and a capitalized lease.

Fund Financial Statements:

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principle and interest reported as expenditures.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Fund Equity

Government-wide Statements:

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designations represent tentative management plans subject to change.

Note 2 - DEPOSITS AND INVESTMENTS

District monies are held in a cash and investment pool maintained by the Parish and are available for use by all funds. The District’s portion of this pool is displayed on the Statement of Net Assets and Governmental Fund Balance Sheet as “investments”.

Louisiana state law allows all political subdivisions to invest excess funds to obligations of the United States or other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Bank Deposits:

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivision are allowed as security for deposits. While the District had certificates of deposit during the year, there were no certificates of deposit at December 31, 2009.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a written policy for custodial credit risk. During the year ended December 31, 2009, the District's bank deposits were exposed to *custodial risk*. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department of agent, but not in the District's name.

During the year ended December 31, 2009, certificates of deposits were adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the District. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities subject to custodial credit risk under the provisions for GASB Statement No. 40, 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 depositor that the fiscal agent has failed to pay deposited funds upon demand.

Investments:

State statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and the Louisiana Asset Management Pool (LAMP).

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

At December 31, 2009, the District had the following investments and maturities:

Investment Type	Fair Value	Maturities
Louisiana Asset Management Pool (LAMP)	\$ 411,593	48 day average
Federal Home Loan Bank Note	15,000	May 14, 2010
Federal National Mortgage Association	24,672	February 15, 2010
Total	<u>\$ 451,265</u>	

As a means of limiting its exposure to fair value losses arising from interest rates, the District's investment policy emphasizes maintaining liquidity to match specific cash flows.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy requires the application of the prudent investor rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed on the safety of principal secondly to maintain liquidity to meet operating requirements and finally to obtain the most favorable rate of return.* The District's investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAM.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of participant's position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Investments in LAMP at December 31, 2009 amounted to \$411,593 and are classified on the Statement of Net Assets as "Investments".

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 2008. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2009 was \$12.00 per \$1,000 of assessed valuation on property within Schriever Fire Protection District for the purpose of acquiring, constructing, maintaining and operating fire protection facilities within the District and paying the cost of obtaining water for the fire protection purposes, including fire hydrant rentals and services and \$1.50 per \$1,000 of assessed valuation for the payment of principal and interest. As indicated in Note 1c, taxes levied November 1, 2009 are for budgeted expenditures in 2010 and will be recognized as revenues in 2010.

**Exhibit F
(Continued)**

Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 2009 consisted of the following:

	General Fund	Debt Service Fund
State of Louisiana - State revenue sharing	\$ 17,357	
Terrebonne Parish Tax Collector - December, 2009 collections remitted to the District in January, 2010:		
Ad valorem taxes	398,434	\$49,804
State revenue sharing	8,678	-
Terrebonne Parish Consolidated Government	-	140,980
Totals	\$424,469	\$190,784

Note 5 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009 was as follows:

	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
Capital assets being depreciated:				
Buildings and improvements	\$ 483,877			\$ 483,877
Office furniture, fixtures and equipment	17,305			17,305
Vehicles, machinery and equipment	1,311,599	\$ 43,503	\$ (42,045)	1,313,057
Total capital assets being depreciated	1,812,781	43,503	(42,045)	1,814,239
Less accumulated depreciation for:				
Buildings and improvements	(97,739)	(13,770)		(111,509)
Office furniture, fixtures and equipment	(11,818)	(609)		(12,427)
Vehicles, machinery and equipment	(682,162)	(97,824)	28,229	(751,757)
Total accumulated depreciation	(791,719)	(112,203)	28,229	(875,693)
Total capital assets, net	\$ 1,021,062	\$ (68,700)	(13,816)	\$ 938,546

This District is currently utilizing three pieces of land that are owned or being leased by the Schriever Volunteer Fire Department for stations. These assets remain in the name of the Department and are not included in the capital assets of the District.

**Exhibit F
(Continued)**

Note 6 - ACCOUNTS PAYABLE AND ACCRUED EXPENDITURES

Accounts payable and accrued expenditures at December 31, 2009 consisted of the following:

	General Fund	Debt Service Fund	Total
Governmental activities			
Vendors	\$ 11,446	\$ 350	\$ 11,796
Protest taxes	14,435	8,731	23,166
Total governmental activities	25,881	9,081	34,962
Accrued interest on long-term debt	-	8,721	8,721
Totals	\$ 25,881	\$ 17,802	\$ 43,683

Note 7 - DUE TO AND FROM OTHER FUNDS

Due to and from other funds are listed by fund for the year ended December 31, 2009:

	Interfund Receivables	Interfund Payables
General Fund:		
Debt Service Fund	\$ 435	\$ -
Debt Service Fund:		
General Fund	-	435
	\$ 435	\$ 435

The balances above result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Note 8 - LONG-TERM DEBT

At December 31, 2009, the District had outstanding general obligation bonds totaling \$505,000 bearing interest from 5.10% to 5.25%, with an average rate of 5.21% over the remaining life of the bonds. The bonds are repayable through March 1, 2017 primarily from ad valorem tax revenues.

Note 8 - LONG-TERM DEBT (Continued)

The following is a summary of the changes in general obligation bonds for the year ended December 31, 2009:

Bonds payable at January 1, 2009	\$555,000
Bonds retired	<u>(50,000)</u>
 Bonds payable at December 31, 2009	 <u>\$505,000</u>

The requirements to amortize general obligation bonds outstanding at December 31, 2009 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 50,000	\$ 25,080	\$ 75,080
2011	55,000	22,389	77,389
2012	55,000	19,543	74,543
2013	60,000	16,538	76,538
2014	65,000	13,256	78,256
2015-2017	<u>220,000</u>	<u>17,588</u>	<u>237,588</u>
 Totals	 <u>\$505,000</u>	 <u>\$114,394</u>	 <u>\$619,394</u>

In 2004, the District entered into a lease agreement for financing the acquisition of a truck. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of their inception. The assets acquired through the capital leases are recorded in the governmental activities at a book value of \$219,024, net of \$81,526 accumulated depreciation. During the year ended December 31, 2009, the District made lease payments of \$35,241, with \$32,482 going towards the principal and \$2,759 in interest charges.

The following is a summary of the lease liability for the year ended December 31, 2009:

Payable at January 1, 2009	\$ 66,316
Obligation retired	<u>(32,482)</u>
 Payable at December 31, 2009	 <u>\$ 33,834</u>
 Due within one year	 <u>\$ 33,834</u>

The capital lease is liquidated by the General Fund.

The capital lease will be fully amortized in 2010 with future minimum lease payments of \$35,242 including \$33,834 principal and \$1,408 of interest.

Note 9 - MAJOR SUPPLIERS

During the year ended December 31, 2009, 13.95% and 19.60% of the District's total expenses and expenditures, respectively, were purchased from a single supplier.

Note 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. No settlements were made during the year that exceeded the District's insurance coverage.

Note 11 - COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members for the year ended December 31, 2009.

Note 12- SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through May 17, 2010, 2010, which is the date the financial statements were available to be issued.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

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

To the Board of Commissioners,
Schriever Fire Protection District,
Schriever, Louisiana

We have audited the financial statements of the governmental activities and each major fund of Schriever Fire Protection District (the District), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 2009, and have issued our report thereon dated May 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Commissioners, management, the Legislative Auditor for the State of Louisiana and others within the entity and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
May 17, 2010.

SCHEDULE OF FINDINGS AND RESPONSES

Schriever Fire Protection District

For the year ended December 31, 2009

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: disclaimer

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not
 considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

b) Federal Awards

Schriever Fire Protection District did not expend federal awards during the year ended December 31, 2009.

Section II Financial Statement Findings

No financial statement findings were noted during the audit for the year ended December 31, 2009.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Schriever Fire Protection District

For the year ended December 31, 2009

Section I Internal Control and Compliance Material to the Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 2008.
No reportable conditions were reported during the audit for the year ended December 31, 2008.

Compliance

No compliance findings material to the financial statements were noted during the audit for the year ended December 31, 2008.

Section II Internal Control and Compliance Material to Federal Awards

Schriever Fire Protection District did not expend federal awards during the year ended December 31, 2008.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2008.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Schriever Fire Protection District

For the year ended December 31, 2009

Section I Internal Control and Compliance Material to the Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 2009.

No significant deficiencies were reported during the audit for the year ended December 31, 2009.

Compliance

No compliance findings material to the financial statements were noted during the year ended December 31, 2009.

Section II Internal Control and Compliance Material to Federal Awards

Schriever Fire Protection District did not expend federal awards during the year ended December 31, 2009.

Section III Management Letter

09-1 **Condition** – The District sold a surplus generator during the year. This sale was completed without advertising the sale in the official journal and considering the highest responsible bidder. Although state law does not require public entities to advertise the sale of movable surplus property with an appraisal value of less than \$5,000, it is considered best government practice to obtain bids for the sale of movable property with the intent to sell to the highest responsible bidder.

Recommendation – We recommend that the District advertise the sale of surplus property in the official journal in the future and sell to the highest responsible bidder.



Bourgeois Bennett

To the Board of Commissioners,
Schriever Fire Protection District
Schriever, Louisiana.

We have audited the basic financial statements of the Schriever Fire Protection District (the District), as of and for the year ended December 31, 2009, and have issued our report thereon dated May 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. In planning and performing our audit, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on internal control.

However, during our audit we became aware of one matter, which represents an opportunity for strengthening internal controls and immaterial noncompliance with certain provisions of laws, regulations, contracts and grants. The memorandum that accompanies this letter summarizes our suggestion and recommendation regarding that matter. We previously reported on the District's internal control and compliance in our report dated May 17, 2010. This letter does not affect our report dated May 17, 2010 on the basic financial statements of the District.

We will review the status of this comment during our next audit engagement. We have already discussed the comment and recommendation with the District, and we will be pleased to discuss it in further detail at your convenience, to perform an additional study of the matter or to assist you in implementing the recommendation.

Sincerely,

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
May 17, 2010

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MANAGEMENT COMMENTS

Schriever Fire Protection District

For the year ended December 31, 2009

09-1 **Condition** – The District sold a surplus generator during the year. This sale was completed without advertising the sale in an official journal and considering the highest responsible bidder. Although state law does not require public entities to advertise the sale of movable surplus property with an appraisal value of less than \$5,000, it is considered best government practice to obtain bids for the sale of movable property with the intent to sell to the highest responsible bidder.

Recommendation – We recommend that the District advertise the sale of surplus property in an official journal in the future and sell to the highest responsible bidder.