

**ST. LANDRY PARISH FIRE PROTECTION
DISTRICT NO. III**

FINANCIAL REPORT

DECEMBER 31, 2011

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 JUL 18 2012

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
St. Landry Parish Fire Protection District No. III
Opelousas, Louisiana

We have audited the accompanying financial statements of the governmental activities of the St. Landry Parish Fire Protection District No. III, a component unit of the St. Landry Parish Police Jury, as of and for the year ended December 31, 2011, which collectively comprise the District's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the St. Landry Parish Fire Protection District No. III as of December 31, 2011, and the respective changes in financial position, thereof for the year then 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 April 11, 2012, on our consideration of the St. Landry Parish Fire Protection District No. III's internal control over financial reporting and on 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 conjunction with this report in considering the results of our audit.

The St. Landry Parish Fire Protection District No. III has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Landry Parish Fire Protection District No. III's financial statements as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the St. Landry Parish Fire Protection District No. III. The information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The prior year comparative information has been derived from the St. Landry Parish Fire Protection District No. III's 2010 financial statements and, in our report dated April 26, 2011 we expressed unqualified opinions on the respective financial statements of the governmental activities.

Vige, Tujague & Noël

Vige, Tujague & Noël, CPA's
April 11, 2012

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE FINANCIAL STATEMENTS
(GWFS)**

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Statements of Net Assets

December 31, 2011 With Comparative Totals

For December 31, 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash and equivalents	\$ 2,776,457	\$ 3,595,651
Investments, at cost	440,516	429,546
Receivables (net of allowance for uncollectibles):		
Ad valorem	2,848,576	2,848,515
State revenue sharing	174,331	193,561
Other	57	57
Accrued interest receivable	323	569
Prepaid items	5,503	5,170
Capital assets, net	<u>1,805,430</u>	<u>1,089,238</u>
Total assets	<u>8,051,193</u>	<u>8,162,307</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	77,871	75,861
Accrued liabilities	22,197	41,816
Pension deduction payable	<u>92,914</u>	<u>92,965</u>
Total liabilities	<u>192,982</u>	<u>210,642</u>
Net Assets:		
Investments in capital, net of related debt	1,805,430	1,089,238
Unreserved, undesignated	<u>6,052,781</u>	<u>6,862,427</u>
Total net assets	<u>\$ 7,858,211</u>	<u>\$ 7,951,665</u>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
 Statements of Activities
 For the Year Ended December 31, 2011

Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Fees, Fines, and Charges for Services	Capital and Operating Grants	Governmental Activities
Governmental activities:				
General government				
Public safety	\$ 3,479,208	\$ -	\$ -	\$ (3,479,208)
Total governmental activities	\$ 3,479,208	\$ -	\$ -	(3,479,208)

General revenues:

Taxes	
Ad valorem taxes	2,856,182
Intergovernmental revenues	
State revenue sharing	174,331
Fire insurance rebate	80,119
State supplemental pay	219,650
Interest and investment earnings	58,728
Net (decrease) in fair value of investments	(3,658)
Miscellaneous income	402
Total general revenues	3,385,754
Change in net assets	(93,454)
Net assets - December 31, 2010	7,951,665
Net assets - December 31, 2011	\$ 7,858,211

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
 Balance Sheets
 Governmental Fund
 December 31, 2011 With Comparative Totals
 For December 31, 2010

	2011	2010
ASSETS		
Cash	\$ 2,440,265	\$ 3,260,612
Certificates of deposit	336,192	335,039
Investments	440,516	429,546
Receivables:		
Ad valorem	2,848,576	2,848,515
State revenue sharing	174,331	193,561
Other	57	57
Prepaid items	5,503	5,170
Total assets	\$ 6,245,440	\$ 7,072,500
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 77,871	\$ 75,861
Pension deduction payable	92,914	92,965
Accrued liabilities	22,197	41,816
Total liabilities	192,982	210,642
Fund balances:		
Fund balances - Unassigned	6,052,458	6,861,858
Total fund balances	6,052,458	6,861,858
Total liabilities and fund balances	\$ 6,245,440	\$ 7,072,500

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Assets
 December 31, 2011

Total fund balances for governmental funds at December 31, 2011		\$ 6,052,458
<p>Total net assets reported for governmental activities in the statement of net assets is different because:</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:</p>		
Land	\$ 42,681	
Building, net of \$523,004 accumulated depreciation	459,651	
Equipment, net of \$2,040,337 accumulated depreciation	<u>1,303,098</u>	1,805,430
Accrued interest receivable		<u>323</u>
Total net assets of governmental activities at December 31, 2011		<u><u>\$ 7,858,211</u></u>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
Statement of Revenues, Expenditures,
and Changes in Fund Balance - Governmental Fund
Year Ended December 31, 2011 With Comparative Totals for December 31, 2010

	<u>2011</u>	<u>2010</u>
Revenues:		
Taxes:		
Ad valorem	\$ 2,856,182	\$ 2,811,766
Intergovernmental:		
State revenue sharing	174,331	193,559
Fire insurance rebate	80,119	86,241
State supplemental pay	219,650	211,262
Interest income	58,975	51,393
Net increase (decrease) in fair value of investments	(3,658)	(1,185)
Other	402	202
	<u>3,386,001</u>	<u>3,353,238</u>
Total Revenues		
Expenditures:		
Current:		
Public safety	3,253,536	2,933,470
Capital outlay	941,865	106,192
	<u>4,195,401</u>	<u>3,039,662</u>
Total Expenditures		
Excess (deficiency) of revenues over expenditures	(809,400)	313,576
Fund balance, beginning	<u>6,861,858</u>	<u>6,548,282</u>
Fund balance, ending	<u>\$ 6,052,458</u>	<u>\$ 6,861,858</u>

The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to
 the Statement of Activities
 For the Year Ended December 31, 2011

Total net changes in fund balance at December 31, 2011
 per Statement of Revenues, Expenditures and
 Changes in Fund Balances \$ (809,400)

The change in net assets reported for governmental
 activities in the statement of activities is
 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 which is considered expenditures
 on the Statement of Revenues, Expenditures and
 Changes in Fund Balances

	\$ 941,865	
Depreciation expense for the year ended December 31, 2011	<u>(225,673)</u>	716,192

Accrued interest receivable		<u>(246)</u>
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Total changes in net assets at December 31, 2011 per Statement of Activities		<u>\$ (93,454)</u>
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The accompanying notes are an integral part of the basic financial statements.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

The accounting and reporting practices of the St. Landry Parish Fire Protection District No. III conform to generally accepted accounting principles of the United States of America as applicable to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

Reporting entity:

The St. Landry Parish Fire Protection District No. III is a component unit of the St. Landry Parish Police Jury. The District was established to provide fire protection for the residents of the District.

Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the St. Landry Parish Fire Protection District No. III, as a whole. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods and services offered by the programs, and (b) requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Fund Financial Statement:

The District uses one fund 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 set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

The general fund, a governmental fund type, is the general operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds.

Measurement Focus/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.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as described below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statements of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues,

ST. LANDRY FIRE PROTECTION DISTRICT NO. III

Note to Financial Statements

expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes are recognized as revenue in the year in which they are billed. Fees and non tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Available means collectible within the current period or soon enough thereafter to pay current liabilities, usually 60 days. Those revenues susceptible to accrual are ad valorem and state revenue sharing income.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

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.

Uncollectible ad valorem taxes are estimated based on prior year's history.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's revenues.

Allocation of indirect expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to these functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Use of estimates in the preparation of financial statements:

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Concentration of Risks

Concentration of risks with respect the District is subject to the conditions of the limited geographical area of the District.

Budgets:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to January 1, the Chairman submits to the Board a proposed operating budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through the passage of a resolution; amendments are also legally enacted through the passage of a resolution.
4. The budget for the general fund is adopted on a fund financial statement basis.
5. The budget for the general fund is employed as a management control device during the year.

All budget appropriations lapse at year end. Revenues may not legally fall short of budgeted amounts by more than five percent and expenditures may not legally exceed budgeted appropriations by more than five percent at the individual fund level. Actual expenditures did not exceed budgeted expenditures by greater than five percent for the year ended December 31, 2011. The District does not use encumbrance accounting.

The budget amounts disclosed in this report are as originally adopted and amended by the Board.

ST. LANDRY FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Cash and Cash Equivalents

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

Interest-bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

Compensated absences:

Employees of the District who have been employed for one year earn 18 days of vacation pay. After ten years of service, they earn one additional day of vacation pay for each year worked up to the maximum of 30 days. Neither vacation days nor sick leave can be carried over to future years; therefore, no accruals for compensated absences are necessary.

Prepaid Items:

Payments made for services that will benefit periods beyond December 31, 2011, are recorded as prepaid items.

Allowances for Uncollectibles

All receivables that historically represent uncollectible accounts are shown net of an allowance for uncollectible. The allowance for uncollectible accounts in the general fund is estimated at \$53,698.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activity column in the government-wide financial statements. All purchased fixed assets are valued at cost or estimated historical cost. The amounts of estimated costs are immaterial to these financial statements. Donated fixed assets are stated at their fair market value on the date donated.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

The District maintains a threshold level of \$500 or more for capitalizing capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated 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 assets is as follows:

Buildings	40 years
Equipment	5 years
Vehicles	7 years

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. There is currently no long-term debt owed by the District.

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 payment of principal and interest reported as expenditures.

Equity Classifications

In the 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 balance of any bonds, mortgages, notes, or other borrowing 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, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

- 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.”

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the fire district’s board – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the district’s “intent” to be used for specific purposes but are neither restricted nor committed. The board and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed,

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

assigned, or unassigned fund balances are available, the District considers the amount to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

Revenues, Expenditures, and Expenses

Program Revenues

Program revenues consist of fees, fines, and charges for services related to governmental fund activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character

In the fund financial statements, governmental funds report expenditures of financial resources.

Note 2. Cash and Interest-Bearing Deposits

For reporting purposes, cash and investments include cash, demand deposits, time deposits, and government backed mortgage securities. The District may invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks having their principal office in the State of Louisiana, or any other federally insured investment. The District may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount. At December 31, 2011 the District has cash and interest bearing deposits totaling \$2,776,457.

Under state law, these deposits in financial institutions must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must, at all times, be equal to the amount on deposit with the bank. At December 31, 2011, deposits in financial institutions were fully secured by federal deposit insurance and the market value of securities pledged in the District's name.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Deposit balances (bank balance) at December 31, 2011, are secured as follows:

Bank Balances	<u>\$ 2,776,471</u>
FDIC/SIPC	250,000
Pledged Securities (Category 3)	<u>4,091,423</u>
Total	<u>4,341,423</u>
Excess/(Shortage)	<u>\$ 1,564,952</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent had failed to pay deposited funds upon demand.

Note 3. Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District in May or June and are actually billed to the taxpayers in the latter part of the fiscal year. Billed taxes become delinquent on January 1 of the following year and January and February of the ensuing year. The following is a summary of the levied ad valorem taxes:

General corporate purpose:	
Operations and maintenance	<u>16.85</u>

Tax revenues are recognized in the year they are billed.

Note 4. Evaluation of Subsequent Events

The District has evaluated subsequent events through April 11, 2012, the date which the financial statements were available to be issued.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Note 5. Receivables

Receivables at December 31, 2011, consist of the following:

	General Fund
Ad valorem	\$ 2,902,274
State revenue sharing	174,331
Other	<u>57</u>
Gross Receivables	3,076,662
Less: Allowance for uncollectibles	<u>(53,698)</u>
Net total receivables	<u>\$ 3,022,964</u>

Note 6. Capital Assets

Capital asset activity for the year ended December 31, 2011 is as follows:

	<u>Balance 12/31/2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2011</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 42,681	\$ -	\$ -	\$ 42,681
Other capital assets:				
Buildings	956,117	50,992	-	1,007,109
Equipment	<u>2,653,781</u>	<u>890,873</u>	-	<u>3,544,654</u>
Totals	<u>3,652,579</u>	<u>941,865</u>	-	<u>4,594,444</u>
Less accumulated depreciation				
Buildings	523,004	24,454	-	547,458
Equipment	<u>2,040,337</u>	<u>201,219</u>	-	<u>2,241,556</u>
Total accumulated depreciation	<u>2,563,341</u>	<u>225,673</u>	-	<u>2,789,014</u>
 Governmental activities, capital assets, net	 <u>\$ 1,089,238</u>	 <u>\$ 716,192</u>	 <u>\$ -</u>	 <u>\$ 1,805,430</u>

Note 7. Pension Plan

Substantially all of the employees of the St. Landry Parish Fire Protection District No. III are members of the Firefighters Retirement System.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III

Notes to Financial Statements

Firefighters Retirement System

Plan description:

The Firefighters Retirement System (the System) is a cost-sharing multiple-employer public employee retirement system (PERS). Membership is mandatory as a condition of employment beginning on date employed if the employee is on a permanent basis as a firefighter, not participating in another publicly funded retirement system and under age fifty (50) at date of employment. Employees who retire at or after age 50 with at least 20 years of credited service, or at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit payable monthly for life, equal to 3-1/3 percent of their average final compensation multiplied by the employee's years of credited service. Final compensation is the employee's monthly earnings during the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established by state statute.

The Firefighters Retirement System issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to Firefighters Retirement System, P. O. Box 94095 Capitol Station, Baton Rouge, LA 70804-9095.

Funding policy:

Plan members are required to contribute 10.0% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The employer's portion rate at December 31, 2011 was 23.25% of annual covered payroll. The contribution requirements of Plan members are established and may be amended by the System's Board of Trustees. The District's contribution to the System for the year ended December 31, 2011 was \$325,388.

Note 8. Contingent Liability

As of December 31, 2011, the District is not aware of any violation with respect to environmental issues, which may arise from holdings the District has in fixed assets.

Note 9. On-Behalf Payments of Salaries and Fringe Benefits

The State of Louisiana paid the District's firefighters supplemental pay of \$219,650. These amounts are included in the accompanying financial statements as revenues and expenditures.

REQUIRED SUPPLEMENTARY INFORMATION

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Budgetary Basis) and Actual - General Fund
Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes:				
Ad valorem	\$ 2,729,746	\$ 2,900,000	\$ 2,856,182	\$ (43,818)
Intergovernmental	379,785	469,650	474,100	4,450
Interest income	50,000	56,000	58,975	2,975
Net increase (decrease) in fair value of investments	-	-	(3,658)	(3,658)
Other	20	326	402	76
Total revenues	<u>3,159,551</u>	<u>3,425,976</u>	<u>3,386,001</u>	<u>(39,975)</u>
Expenditures:				
Current:				
Public safety	3,069,400	3,244,210	3,253,536	(9,326)
Capital outlay	765,000	942,000	941,865	135
Total expenditures	<u>3,834,400</u>	<u>4,186,210</u>	<u>4,195,401</u>	<u>(9,191)</u>
Excess (deficiency) of revenues over expenditures	(674,849)	(760,234)	(809,400)	(49,166)
Fund balance, beginning	<u>6,916,152</u>	<u>6,861,858</u>	<u>6,861,858</u>	-
Fund balance, ending	<u>\$ 6,241,303</u>	<u>\$ 6,101,624</u>	<u>\$ 6,052,458</u>	<u>\$ (49,166)</u>

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
 Budgetary Comparison Schedule - General Fund
 Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Current:				
Public safety -				
Salaries and related benefits	\$ 2,244,350	\$ 2,320,810	\$ 2,327,194	\$ (6,384)
Civil Service Board	2,880	3,000	3,120	(120)
Volunteer fire stations and firemen	4,000	300	50	250
Per diem to board members	7,420	8,200	8,240	(40)
Telephone and utilities	19,500	48,250	45,396	2,854
Insurance	450,500	434,500	439,388	(4,888)
Uniforms and cleaning	8,500	8,650	9,215	(565)
Equipment maintenance and supplies	114,000	140,700	148,838	(8,138)
Building maintenance and supplies	25,000	83,500	81,455	2,045
Professional fees	30,000	48,000	45,739	2,261
Office supplies	7,000	10,000	9,462	538
Pension expense	94,500	94,500	91,984	2,516
Election expense	40,000	26,200	26,672	(472)
Other	21,750	17,600	16,783	817
Capital outlays	765,000	942,000	941,865	135
Total expenditures	\$ 3,834,400	\$ 4,186,210	\$ 4,195,401	\$ (9,191)

VIGE, TUJAGUE & NOEL
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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**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
St. Landry Parish Fire Protection District No. III
Opelousas, Louisiana

We have audited the financial statements of the St. Landry Parish Fire Protection District No. III as of and for the year ended December 31, 2011, and have issued our report thereon dated April 11, 2012. 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

Management of St. Landry Parish Fire Protection District No. III is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the St. Landry Parish Fire Protection District No. III's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. Landry Parish Fire Protection District No. III's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the St. Landry Parish Fire Protection District No. III'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 a combination of deficiencies, in internal control such that there is a reasonable

possibility that a material misstatement of the entity'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 would not necessarily identify all deficiencies in internal control 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 St. Landry Parish Fire Protection District No. III's financial statements are free of material misstatements, 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 management, federal awarding agencies and pass-through entities, and others within the entity. It is not intended to be and should not be used by anyone other than these specified parties.

Vige, Tujague & Noël
Vige, Tujague & Noël, CPA's
April 11, 2012

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
Schedule of Findings and Responses
Year Ended December 31, 2011

We have audited the financial statements of St. Landry Parish Fire Protection District No. III as of and for the year ended December 31, 2011 and have issued our report dated April 11, 2012. 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. Our audit of the financial statements as of December 31, 2011 resulted in an unqualified opinion.

Section I Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes No Significant Deficiencies Yes None reported

Compliance

Compliance Material to Financial Statements Yes No

No separate management letter was issued.

Section II Financial Statement Findings

There were no financial statement findings for the year ended December 31, 2011.

Section III Internal Control and Compliance Material to Federal Awards

There were no federal awards for the year ended December 31, 2011.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
Schedule of Prior Year Findings
Year Ended December 31, 2011

I Internal Control and Compliance Material to the Financial Statements

The prior year's report did not include any findings.

II Internal Control and Compliance Material to Federal Awards

The prior year's report did not include any federal awards.

III Management Letter

The prior year's report did not include a management letter.

ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III
Schedule of Compensation Paid to Board Members
Year Ended December 31, 2011

	Per Diem	Mileage	Total
Howard Austin	\$ 1,040	\$ 69	\$ 1,109
Armand Declouette	1,200	157	1,357
Charles Dore	1,120	66	1,186
Greg Doucet	880	56	936
Charles LeBlanc	960	104	1,064
Ronald Speyrer	1,040	59	1,099
Clifford Thierry	1,200	-	1,200
Charles Breaux	-	61	61
Terri Courville	-	33	33
Richard Joubert	80	115	195
Total	<u>\$ 7,520</u>	<u>\$ 720</u>	<u>\$ 8,240</u>

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The board members receive \$80 for each regular or special meeting they attend and \$30 for each committee meeting they attend.