

**RED RIVER PARISHWIDE
FIRE PROTECTION DISTRICT**

COUSHATTA, LOUISIANA

FINANCIAL STATEMENTS

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

8/24/11

**RED RIVER PARISHWIDE
FIRE PROTECTION DISTRICT**

**Coushatta, Louisiana
December 31, 2009**

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**RED RIVER PARISHWIDE
FIRE PROTECTION DISTRICT**

**Coushatta, Louisiana
December 31, 2009**

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WILLIAM E. WEATHERFORD, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

Mary James, Chairman
and the Board of Commissioners
Red River Parishwide Fire Protection District
Coushatta, Louisiana

I have audited the accompanying financial statements of the governmental activities and each major fund of the Red River Parishwide Fire Protection District, Coushatta, Louisiana, a component unit of the Red River Parish Police Jury, as of and for the year ended December 31, 2009, which collectively comprise the Red River Parishwide Fire Protection District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Red River Parishwide Fire Protection District, Coushatta, Louisiana. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my 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 Red River Parishwide Fire Protection District, Coushatta, Louisiana, as of December 31, 2009, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated August 8, 2011, on my consideration of the Red River Parishwide Fire Protection District, Coushatta, Louisiana's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Red River Parishwide Fire Protection District, Coushatta, Louisiana's financial statements as a whole. The accompanying supplemental information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

William E. Weatherford, CPA, LLC

William E. Weatherford, CPA, LLC
Certified Public Accountant
Shreveport, Louisiana
August 8, 2011

REQUIRED SUPPLEMENTAL INFORMATION (PART I)

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Red River Parishwide Fire Protection District, Coushatta, Louisiana, (hereafter referred to as the "District") we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District as of and for the year ended December 31, 2009. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

The District experienced an increase in its net assets by 13.57% (\$126,005) during the fiscal year ended December 31, 2009. As of December 31, 2009 the assets of the District exceeded its liabilities by \$1,054,548. Of this amount \$597,731 (56.68%) is reported as "unrestricted net assets" and represents the amount available to be used to meet the District's ongoing obligations to the citizens of Red River Parish.

The District received a federal grant through the Department of Homeland Security in the amount of \$22,910 during the year ended December 31, 2009.

Ad valorem tax revenues increased \$202,233 (66.16%) from \$305,670 during 2008 to \$507,903 during 2009.

The District invested \$203,889 in capital outlays for vehicles, equipment and building improvements during the year ended December 31, 2009.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) and other supplementary information in addition to the basic financial statements. These components are described below:

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the District - the **Government-wide Financial Statements** and the **Fund Financial Statements**. These financial statements also include the **Notes to the Financial Statements** that explain some of the information in the financial statements and provide additional detail.

Government-wide Financial Statements

The government-wide financial statements provide a broad view of the District's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the District's financial position, which assists users in assessing the District's economic condition at the end of the year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting similar to methods used by most businesses. These statements report all revenues and expenses connected with the year even if cash has not been received or paid and include all assets of the District as well as all liabilities (including long-term debt). The government-wide financial statements include two statements:

- **The *statement of net assets*** presents all of the District's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the District's 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 changed during the most recent year using the full accrual basis of accounting. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years. This statement also presents a comparison between direct expenses and program revenues for each function of the District.

Both of the above financial statements present the governmental activities of the District.

Governmental Activities – The activities in this section are mostly supported by taxes and intergovernmental revenues (grants). The services provided by the District fall into this category.

The government-wide financial statements can be found immediately following this discussion and analysis.

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. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

Governmental funds: The basic services provided by the District are financed through the governmental fund. 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, the fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements. This approach is known as using the flow of financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the District's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the District.

Because the focus of the governmental funds financial statements 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. By doing so, users may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental funds financial statement.

The District has one governmental fund, the General Fund, which is considered a major fund for presentation purposes. That is, each major fund is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances.

The basic governmental funds financial statements can be found immediately following the government-wide financial statements.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the funds financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information. This section includes a budgetary comparison schedule for the General Fund as presented in the governmental fund financial statements. Annual budgets are prepared using the cash basis of accounting. Following the required supplementary information is other supplementary information that is provided to show additional details.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

Net Assets

Net assets may serve over time as a useful indicator of the District's financial position. The District's net assets totaled \$1,054,548 and \$928,543 at the end of fiscal years 2009 and 2008, respectively.

At December 31, 2009, \$456,817 (43.32%) of the District's net assets reflects the District's investment in capital assets such as land, buildings, vehicles, and station equipment, less any related debt used to acquire those assets that is still outstanding, compared to \$368,461 (39.68%) at the end of the prior fiscal year. The District uses these capital assets to provide services to the citizens of Red River Parish; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The other portion of the District's net assets, \$597,731 (56.68%) for 2009 and \$560,082 (60.32%) for 2008 is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors at the discretion of the board of commissioners.

A summary of the statement of net assets is as follows:

ASSETS	Governmental Activities	
	2009	*2008
Current and other assets	\$ 602,902	\$ 566,885
Capital assets, net of accumulated depreciation	456,817	368,461
Total assets	<u>1,059,719</u>	<u>935,346</u>
LIABILITIES		
Current liabilities	<u>5,171</u>	<u>6,803</u>
NET ASSETS		
Investments in capital assets, net of related debt	456,817	368,461
Unrestricted	597,731	560,082
Total net assets	<u>\$ 1,054,548</u>	<u>\$ 928,543</u>

*As restated

Changes in Net Assets

The District's net assets increased by \$126,005 (13.57%) and \$120,362 (14.89%) during the years ended December 31, 2009 and 2008, respectively.

Approximately 95.79% (\$544,509) was derived from general revenues including ad valorem taxes, intergovernmental revenues, and interest during 2009 compared to 87.10% (\$343,904) during the prior year. The District received \$23,913 (4.21%) of its total revenues through program grants and contributions during 2009 compared to \$50,935 (12.90%) during 2008.

A summary statement of activities is as follows:

	<u>Governmental Activities</u>	
	<u>2009</u>	<u>*2008</u>
Program Revenues:		
Grants and contributions	\$ 23,913	\$ 50,935
General Revenues:		
Ad valorem taxes	507,903	305,670
Intergovernmental revenues	33,762	33,003
Interest income	2,844	5,231
Total revenues	<u>568,422</u>	<u>394,839</u>
Expenses:		
Public safety	<u>442,417</u>	<u>274,477</u>
Total expenses	<u>442,417</u>	<u>274,477</u>
Change in net assets	126,005	120,362
Net assets - beginning of year - as restated	<u>928,543</u>	<u>808,181</u>
Net assets- end of year	<u>\$1,054,548</u>	<u>\$928,543</u>

*As restated.

FINANCIAL ANALYSIS OF THE INDIVIDUAL 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 fund is to provide information on the 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 the District's net resources available for spending at the end of the year.

At the end of the current fiscal year, the District's governmental fund reported an ending fund balance of \$589,848, an increase of \$43,378 (7.94%) in comparison with the prior year. This total amount consists of *unreserved fund balance* of \$555,004, which is available for spending at the District's discretion, and \$34,844 of *reserved fund balance*, which represents amounts paid for prepaid insurance and is not available to fund future expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the District complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA – R.S. 39:1301 et seq.).

The District's budget was first amended on February 17, 2009 and the final amendment to the budget was adopted on December 15, 2009.

Expenditures were \$122,238 less than the amount originally budgeted.

Revenues available for expenditure were \$69,119 above the final budgeted amounts.

CAPITAL ASSET ADMINISTRATION

The District's investment in capital assets for its governmental activities as of December 31, 2009 totaled \$2,283,062, net of accumulated depreciation of \$1,826,245, leaving a book value of \$456,817. This investment in capital assets consists of land, buildings, vehicles, and station equipment. Depreciation charges for the year 2008 totaled \$115,533 compared to \$105,018 for the prior year.

DEBT ADMINISTRATION

At year-end, the District had no outstanding long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The primary revenue source for the District is property taxes.

The following economic factors were considered when the budget for the fiscal year ended December 31, 2010 was prepared:

- The District expects property tax and intergovernmental revenues to increase during 2010.
- The District expects administrative and operating expenses to remain consistent with prior years.
- The District expects to expend \$300,000 for capital outlays during 2010.

CONTACTING THE FIRE DISTRICT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Red River Parishwide Fire Protection District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact, contact Mary James, Chairman, Post Office Box 454, Coushatta, Louisiana 71019.

BASIC FINANCIAL STATEMENTS

GOVERNMENT WIDE FINANCIAL STATEMENTS

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta, Louisiana
Statement of Net Assets
December 31, 2009

ASSETS

Current assets:	
Cash and cash equivalents	\$ 112,349
Ad valorem taxes receivable	455,228
Interest receivable	481
Prepaid insurance	<u>34,844</u>
Total current assets	602,902
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>456,817</u>
Total Assets	<u>1,059,719</u>

LIABILITIES

Current:	
Accounts payable	<u>5,171</u>

NET ASSETS

Invested in capital assets, net of related debt	456,817
Unrestricted	<u>597,731</u>
Total Net Assets	<u><u>\$ 1,054,548</u></u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

FUND FINANCIAL STATEMENTS

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta, Louisiana
Balance Sheet- Governmental Fund
December 31, 2009

	<u>GENERAL FUND</u>
ASSETS	
Cash and cash equivalents	\$ 112,349
Ad valorem taxes receivable	455,228
Interest receivable	481
Prepaid insurance	<u>34,844</u>
Total Assets	<u>\$ 602,902</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 5,171
Deferred ad valorem taxes	<u>7,883</u>
Total Liabilities	<u>13,054</u>
Fund Balance:	
Reserved for prepaids	34,844
Unreserved	<u>555,004</u>
Total Fund Balance	<u>589,848</u>
Total Liabilities and Fund Balance	<u>\$ 602,902</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta, Louisiana
Reconciliation of Fund Balance on the Governmental Fund Balance Sheet
to the Net Assets of Governmental Activities on the Statement of Net Assets
December 31, 2009

Total fund balance - governmental fund	\$ 589,848
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets, net of depreciation, used in the operation of governmental funds are not financial resources and, therefore, are not reported in the governmental fund	456,817
Certain deferred revenues are reported in the governmental funds but not in the statement of net assets	<u>7,883</u>
Net assets of governmental activities	<u>\$ 1,054,548</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
 Coushatta, Louisiana
 Statement of Revenues, Expenditures, and Changes in
 Fund Balance – Governmental Fund
 For the Year Ended December 31, 2009

	<u>GENERAL FUND</u>
REVENUES:	
Ad valorem taxes	\$ 513,632
Intergovernmental revenues:	
Federal funds:	
Homeland security grant	22,910
State funds:	
Fire insurance rebate	33,762
Contributions	1,003
Interest income	2,844
Total revenues	574,151
 EXPENDITURES:	
Current:	
Public safety-fire:	
Statutory fees and assessments	43,495
General administration	69,789
Operations	213,600
Capital Outlay	203,889
Total expenditures	530,773
 Excess of Revenues Over (Under) Expenditures	43,378
 Net change in fund balance	43,378
 Fund Balance, Beginning of year	546,470
 Fund Balance, End of year	\$ 589,848

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditor's report.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
 Coushatta, Louisiana
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balance of Governmental Fund to the Statement of Activities
 For the Year Ended December 31, 2009

Net change in fund balance- governmental fund	\$	43,378
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>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. This is the amount by which capital outlays (\$203,889) exceeded depreciation expense (\$115,533) in the current period.</p>	88,356	
<p>Revenues in the statement of activities that do not provide current resources (deferred ad valorem taxes) are not reported as fund revenues.</p>		(5,729)
Change in net assets of governmental activities		\$ 126,005

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditor's report.

NOTES TO THE FINANCIAL STATEMENTS

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

INTRODUCTION

The Red River Parishwide Fire Protection District (hereafter referred to as the Fire District) was created by the Red River Parish Police Jury, as authorized by Louisiana Revised Statute (LRS) 40:1496.17. The Fire District is governed by an eight-member board appointed by the Red River Parish Police Jury as follows: two members are from the Coushatta Fire District and one from each of the other six fire districts within Red River Parish. Board members serve without compensation. The Fire District is responsible for maintaining and operating fire stations and equipment and for providing fire protection and rescue services to the residents of Red River Parish.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Red River Parishwide Fire Protection District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Fire District applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. GAAP as applicable to governments also conforms to the requirements of Louisiana R.S. 24:517 and to the guides set forth in the *Louisiana Municipal Audit and Accounting Guide* and to the industry guide, *Audits of State and Local Government Units*, published by the American Institute of Certified Public Accountants.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Red River Parish Police Jury is the financial reporting entity for Red River Parish. The financial reporting entity consists of (a) the primary government (Policy Jury), (b) organizations for which the primary government is financially accountable, (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statement to be misleading or incomplete.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining which component units should be considered part of the Red River Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit with the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criterion includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Police Jury to impose its will on that organization and/or;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A. REPORTING ENTITY - Continued

2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent upon the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Police Jury created the Fire District and has the ability to impose its will on the Fire District by removing the commissioners, the Fire District was determined to be a component unit of the Red River Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Fire District and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. BASIS OF PRESENTATION

The accompanying basic financial statements of the Fire District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Fire District's basic financial statements consist of Government-wide Financial Statements, including a Statement of Net Assets and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information.

Fund Accounting:

The Fire District uses funds to maintain its financial records during the year. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The minimum number of funds is maintained consistent with legal and managerial requirements.

Governmental Funds:

Governmental funds account for all of the activities of the Fire District. These funds focus on the sources, uses and balances of current financial resources. The difference between the governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. BASIS OF PRESENTATION - Continued

The single fund of the Fire District, the General Fund, is classified as a governmental fund.

General Fund:

The General Fund is the principal fund of the Fire District and is used to account for the operations of the Fire District. General operating expenditures are paid from this fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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 (GWFS):

The Statement of Net Assets and the Statement of Activities include all the financial activities of the Fire District. Information contained in these statements reflects the "economic resources" measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment of the Fire District's activities is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. The Fire District does not allocate indirect expenses to functions in the statement of activities. Program revenues reduce the cost of the function to be financed from the Fire District's general revenues. Program revenues included in the statement of activities are (1) derived directly from charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function, (2) operating grants and contributions, and (3) capital grants and contributions. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include ad valorem taxes, interest and other items not properly included in program revenues.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION - Continued

The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net assets.

Fund Financial Statements (FFS):

The fund financial statements report financial information by major and non-major funds. The emphasis of the fund financial statements is on major governmental funds, each of which is displayed in a separate column. A fund is considered major if it is the primary operating fund of the Fire District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.
- b. The Fire District's management believes that the fund is particularly important to the financial statement users.

The Fire district considers the General Fund to be a 'major fund'.

The amounts reflected in the Fund Financial Statements are accounted for using the "current financial resources" measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. When the "current financial resources" measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as expenditures. Furthermore, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as an other financing source and repayment of long-term debt is reported as an expenditure. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. Fund balance is used as a measure of available spendable financial resources at the end of the period.

This approach is then reconciled, through adjustment, to a government-wide view of the Fire District's operations.

The amounts reflected in the Fund Financial Statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Fire

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION - Continued

District considers all revenues available if they are collected within 60 days after the fiscal year end.

The governmental fund uses the following practices in recording revenues and expenditures:

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47: 1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are generally collected in December of the year assessed and January and February of the ensuing year.

Interest earnings on deposits are recorded when earned.

Revenue from federal and state grants is recognized when all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted; matching requirements, in which the Fire district must provide local resources to be used for a specified purpose; and expenditure requirements, in which resources are provided to the Fire District on a reimbursement basis.

Those revenues susceptible to accrual are property taxes and interest revenue. Substantially all other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis when a liability is incurred.

Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased.

Purchases of capital assets in the governmental fund are recorded as expenditures when purchased. Governmental fund capital assets are reported at cost, net of accumulated depreciation, only in the government-wide financial statements.

Capital lease payments are recorded as expenditure when paid. The amount of the capital lease obligations outstanding at December 31, (if any) have been reported only in the government-wide financial statements.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash and cash equivalents include cash on hand and amounts in demand deposits and highly liquid investments with original maturities of one year or less when purchased.

The Fire District's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Fire District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Fire District may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local Louisiana governments are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

E. RECEIVABLES

In the government-wide financial statement, receivables consist of all revenues earned at year-end and not yet received. The major receivable for the governmental activities consists of property tax revenues. The Fire District uses the direct write-off method to account for bad debts for property taxes. Generally accepted accounting principles require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

F. CAPITAL ASSETS

Capital assets, which include land, land improvements, buildings, building improvements, machinery and equipment and vehicles, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

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

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with the cost of capital assets, net of accumulated depreciation, reflected in the statement of net assets.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F. CAPITAL ASSETS

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

Description	Estimated Lives	Capitalization Threshold
Land	N/A	\$ 1
Communications Equipment	5 years	\$ 1,000
Vehicles	5 years	\$ 5,000
Station equipment	5 years	\$ 5,000
Leasehold Improvements	20 years	\$ 5,000
Land Improvements	20 years	\$ 5,000
Buildings	30 years	\$ 5,000
Building Improvements	20 years	\$ 5,000
Other Fixed Assets	5 years	\$ 5,000

G. INVENTORIES

The inventory of supplies is not material and is charged to operations as purchased.

H. LONG-TERM DEBT

All long term debts, including capital leases, to be repaid from governmental resources are not reported as liabilities in the fund financial statements but are reported as liabilities in the government-wide financial statements.

I. DEFERRED REVENUES

Deferred revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when the Fire District receives resources before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria have been met or the Fire District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

J. COMPENSATED ABSENCES

The Fire District does not have any full or part-time employees. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

K. FUND EQUITY

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 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 by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – Consists of all other assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved (portions of fund equity not available for appropriation or are legally restricted by outside parties for use for a specified purpose) or unreserved, with unreserved segregated between designated (portions of fund balance which represents management’s plans which are subject to change) and undesignated.

L. BUDGETS AND BUDGETARY ACCOUNTING

The Fire District is required by state law to adopt an annual budget. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

A proposed budget is prepared by the board of commissioners and made available for public inspection no later than 15 days prior to December 31 of each year. In open meeting prior to December 31, the budget is adopted and becomes part of the official minutes of the Fire District. The proposed budget for the General Fund is prepared on the cash basis of accounting.

Once a budget is approved, it can be amended by approval of a majority of the board of commissioners. Amendments are presented at a regular open meeting for board approval.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

M. PROPERTY TAXES

Ad valorem taxes are levied by the Red River Parish Tax Assessor in September or October and are actually billed to taxpayers in November. Billed property taxes become delinquent and attach as an enforceable lien on property as of January 1 of each year. The Red River Parish Sheriff collects property taxes due to the Fire District using the assessed values determined by the tax assessor and approved by the State of Louisiana Tax Commission.

Revenues from ad valorem taxes are budgeted in the year billed.

N. USE OF ESTIMATES

The preparation of financial statements generally 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. RISK MANAGEMENT

The Fire District is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; injuries to employees; and natural disasters. The Fire District carries commercial insurance for the risk of loss including automobile liability, general liability, property damage, and workers compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS

At December 31, 2009, the Fire District had cash deposits with financial institutions (book balances) totaling \$112,349 as follows:

Demand deposits	\$ 8,423
Certificates of deposit	<u>103,926</u>
	<u><u>\$ 112,349</u></u>

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

2. DEPOSITS WITH FINANCIAL INSTITUTIONS - Continued

These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the Fire District in a holding or custodial bank that is mutually acceptable to both parties. 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 that the fiscal agent has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Fire District's name.

The deposits of the Fire District are subject to the following risks:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Fire District will not be able to recover its deposits. At year end, the Fire District had collected bank balances of \$154,751 which were fully protected by federal depository insurance.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The Fire District's certificates of deposit have maturities of six months or less which limits exposure to fair value losses arising from rising interest rates.

Credit Risk: The Fire District's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Fire District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Fire District may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

3. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2009 for the Fire District is as follows:

	*Balance December 31, 2008	Additions	Retirements	Balance December 31, 2009
Capital assets not being depreciated:				
Land	\$ 4,100	\$ -	\$ -	\$ 4,100
Capital assets being depreciated:				
Buildings and building improvements	367,597	6,511	-	374,108
Vehicles	1,550,983	131,500	(100,221)	1,582,262
Station Equipment	305,137	65,878	(48,423)	322,592
Total capital assets being depreciated	<u>2,223,717</u>	<u>203,889</u>	<u>(148,644)</u>	<u>2,278,962</u>
Less accumulated depreciation:				
Buildings and building improvements	350,482	1,589	-	352,071
Vehicles	1,307,546	73,767	(100,221)	1,281,092
Station Equipment	201,328	40,177	(48,423)	193,082
Total accumulated depreciation	<u>1,859,356</u>	<u>115,533</u>	<u>(148,644)</u>	<u>1,826,245</u>
Total capital assets being depreciated, net	<u>364,361</u>	<u>88,356</u>	<u>-</u>	<u>452,717</u>
Governmental activities capital assets, net	<u>\$ 368,461</u>	<u>\$ 88,356</u>	<u>\$ -</u>	<u>\$ 456,817</u>

*As restated.

Depreciation Expense of \$115,533 was charged to the public safety function.

4. LEVIED TAXES

For the year ended December 31, 2009, the Fire District levied property taxes at the rate of 7.46 mills on property with assessed valuations totaling \$78,329,930. Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption totaled \$10,193,080 in 2009. Ad valorem taxes levied totaled \$508,301. Total of ad valorem tax revenues recognized in 2009 by the Fire District was \$513,632. Property taxes receivable at December 31, 2009 were \$455,228.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

4. LEVIED TAXES – Continued

The following are the principal taxpayers and the related as valorem tax assessment:

Taxpayer	Assessed Valuation	Tax Amount	Percent of Total Assessed Valuation
Centerpoint Energy Gas Transmission	\$ 7,423,700	\$ 55,381	10.90%
Gulf South Pipeline Co., LP	5,420,990	40,441	7.96%
Crosstex LIG	4,930,710	36,783	7.24%
Nabors Drilling USA, LP	4,264,980	31,817	6.26%
Nabors Drilling USA	2,171,130	16,197	3.19%
Empressa Energy, LP	2,002,400	14,938	2.94%
Central Louisiana Electric Co., Inc.	1,908,480	14,237	2.80%
Questar Exploration and Production Co.	1,820,560	13,581	2.67%
Forest Oil Corporation	1,495,720	11,158	2.20%
Trinidad Drilling	1,480,860	11,047	2.17%
	<u>\$32,919,530</u>	<u>245,580</u>	<u>48.33%</u>

5. LITIGATION

There was no litigation pending against the Fire District, at December 31, 2009, nor is management aware of any unasserted claims.

6. RELATED PARTY TRANSACTIONS

FASB 57 requires the disclosure of the description of the relationship, the transactions, the dollar amount of the transactions, and any amounts due to or from that result from related party transactions.

Procedures, observations, and inquiries did not disclose any related party transactions during the fiscal year ended December 31, 2009.

7. COMMITMENTS AND CONTINGENCIES

The Fire District participates in certain federal and state assisted programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

In November, 2009, the Fire District entered into an agreement to purchase a new fire truck at a cost of \$333,439. The Fire District made an initial down payment on the purchase of \$131,500 with a balance of \$201,939 payable as of December 31, 2009.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta Louisiana
Notes to the Financial Statements
December 31, 2009

8. PRIOR PERIOD ADJUSTMENT

During 2009, the Fire District noted several assets in use that had not been recorded in the financial statements and several disposed assets that were reported in the financial statements. A prior period adjustment in the amount of \$116,315 was made in the government-wide financial statements to adjust the cost of capital assets and the accumulated depreciation for these assets to the correct amount.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
 Coushatta Louisiana
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2009

	Budgeted Amounts		Actual Amounts		Actual on Budgetary Total	Variance with Final Budget Positive (Negative)
	Original	Final	Actual	Adjustments to Budgetary Basis		
REVENUES:						
Ad valorem taxes	\$ 215,038	\$ 215,038	\$ 513,632	\$ (235,438)	\$ 278,194	\$ 63,156
Intergovernmental revenue:						
Federal funds:						
Homeland security grant	-	-	22,910	(22,910)	-	-
State funds:						
Fire insurance rebate	32,017	32,017	33,762	-	33,762	1,745
Contributions	-	-	1,003	-	1,003	1,003
Interest income	-	-	2,844	371	3,215	3,215
Total revenues	247,055	247,055	574,151	(257,977)	316,174	69,119
EXPENDITURES:						
Current:						
Public safety-fire:						
Statutory fees and assessments	-	-	43,495	(43,495)	-	-
General administration	43,050	46,050	69,789	4,594	74,383	(28,333)
Operations	55,353	212,903	213,600	(9,737)	203,863	9,040
Capital Outlay	250,000	250,000	203,889	(11,494)	192,395	57,605
Total expenditures	348,403	508,953	530,773	(60,132)	470,641	38,312
Excess of Revenues Over (Under) Expenditures	(101,348)	(261,898)	43,378	(197,845)	(154,467)	107,431
Net change in fund balances	(101,348)	(261,898)	43,378	(197,845)	(154,467)	107,431
Fund Balances, beginning of year	454,709	454,709	546,470	(91,761)	454,709	-
Fund Balances, end of year	\$ 353,361	\$ 192,811	\$ 589,848	\$ (289,606)	\$ 300,242	\$ 107,431

The notes to the financial statements are an integral part of this statement.
 See the accompanying independent auditor's report.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta, Louisiana
Notes to Budgetary Comparison
December 31, 2009

The budget is prepared and is adopted annually using the cash basis of accounting which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles (GAAP). The budget for the fiscal year ended December 31, 2009 was adopted on December 16, 2008.

The Louisiana Local Government Budget Act provides that "the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing year". The "total estimated funds available" is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year.

Through the budget, the Fire District allocates its resources and establishes its priorities. The annual budget assures the efficient and effective uses of the Fire District's economic resources. It establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the Fire District's performance.

Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year end.

The Fire District adopted its final amended budget for the year ended December 31, 2009 on December 15, 2009.

The Budgetary Comparison Schedule presents comparisons of the original and final legally adopted budget with the actual data.

OTHER SUPPLEMENTARY INFORMATION

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta, Louisiana
Schedule of Compensation Paid Commissioners
For the Year Ended December 31, 2009

The schedule of compensation paid to the board of commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

In accordance with Louisiana Revised Statute 40:1496.17 (C), commissioners shall receive no per diem but may be reimbursed for expenses incurred in the performance of their duties.

<u>Commissioner</u>		<u>Compensation Received</u>
Wanda Brock		\$ -
Anna Cotton	Secretary	-
Tommy Felts		-
Dustin Halbmaier		-
Mary James	Chairman	-
Antony Thomas		-
Robert Yarbrough	Vice-Chairman	-
John Youngblood		-
		<u>\$ -</u>

Supplementary information.
See the accompanying independent auditor's

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS AND THE
LOUISIANA GOVERNMENTAL AUDIT GUIDE**

The following independent auditor's report on internal control over financial reporting and on compliance and other matters is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

WILLIAM E. WEATHERFORD, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANT

**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**

Mary James, Chairman
and the Board of Commissioners
Red River Parishwide Fire Protection District
Coushatta, Louisiana

I have audited the financial statements of the government activities and each major fund of the Red River Parishwide Fire Protection District, Coushatta, Louisiana, a component unit of the Red River Parish Police Jury, as of and for the year ended December 31, 2009, which collectively comprise the Red River Parishwide Fire Protection District's basic financial statements and have issued my report thereon dated August 8, 2011. I conducted my 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 my audit, I considered the Red River Parishwide Fire Protection District, Coushatta, Louisiana's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Red River Parishwide Fire Protection District, Coushatta, Louisiana's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Red River Parishwide Fire Protection District, Coushatta, Louisiana'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 in 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My 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, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the Red River Parishwide Fire Protection District, Coushatta, Louisiana's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion.

The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of audit findings (Items 09-1 and 09-2).

The Red River Parishwide Fire Protection District, Coushatta, Louisiana's response to the findings identified in my audit is described in the accompanying "Audit Findings". I did not audit the Red River Parishwide Fire Protection District, Coushatta, Louisiana's response, and accordingly, I express no opinion on it.

This report is intended solely for the information and use of the commission, management, and the Louisiana legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties for any purpose. However, this restriction is not intended to limit the distribution of this report which is a matter of public record and is distributed by the Legislative Auditor under Louisiana Revised Statute 24:543.

William E. Weatherford, CPA, LLC

William E. Weatherford, CPA, LLC
Certified Public Accountant
Shreveport, Louisiana
August 8, 2011

AUDIT FINDINGS

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta, Louisiana
Schedule of Findings
December 31, 2009

FINDINGS RELATED TO INTERNAL CONTROL

None

FINDINGS RELATED TO COMPLIANCE

Item: 09-1:

Criteria or specific requirement:

Louisiana Revised Statute (LSA-R.S.) 24:513(A) (5) (a) requires the Fire District's financial audit to be completed and filed with the Louisiana Legislative Auditor within six months of the close of the entity's fiscal year.

Condition:

The Fire District's audit was not completed and filed with the Louisiana Legislative Auditor on or before June 30, 2010.

Questioned costs:

None

Context:

The Fire District's annual audited financial statements were issued after the mandatory due date of June 30, 2010.

Effect:

The Fire District is not in compliance with Louisiana Revised Statute (LSA-R.S.) 24:513(A) (5) (a).

Cause:

The accountant was seriously ill during 2010 due to blood clots in the left leg and both lungs. Complications arising from this illness and the subsequent treatment of the complications prevented timely completion of the audit.

Recommendation:

The Association should file its annual financial statements on or before June 30 each year.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT

Coushatta, Louisiana

Schedule of Findings

December 31, 2009

Management's Response:

The District will not be able to comply with the filing requirements for the year ended December 31, 2010 due to not receiving the 2009 audit report in a timely manner. The District has terminated its relationship with the predecessor auditor and contracted with a new certified public accountant to conduct future audits and anticipates timely completion of audits for the years 2011 and thereafter.

Item: 09-2

Criteria or specific requirement:

Louisiana Revised Statute 38:2212(J) requires that a public entity letting a contract that proposes to disqualify any bidder on the grounds that the bidder is not a "responsible bidder" shall:

- (1) Give written notice of the proposed disqualification to such bidder and include in the written notice all reasons for the proposed disqualification.
- (2) Give such bidder, who is proposed to be disqualified the opportunity to be heard at an informal hearing at which such bidder is afforded the opportunity to refute the reasons for the disqualification.

Condition:

The Fire District properly bid the purchase of a 2010, 3000 gallon pumper truck. Two bids were received. The Fire District rejected the lowest bid and accepted the higher bidder without documenting the reasons for rejection of the lower bidder.

Questioned costs:

\$47,669

Context:

The Fire District rejected the lower bidder without providing the lower bidder a written notice providing all reasons for rejection of the bid and without giving the low bidder the opportunity to refute the reasons for disqualification.

Effect:

The Fire District may be in non-compliance with Louisiana Revised Statute 38:2212(J).

Cause:

Unknown

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT

Coushatta, Louisiana

Schedule of Findings

December 31, 2009

Recommendation:

The Fire District should provide all rejected low bidders written notice of the proposed disqualification to such bidder and include in the written notice all reasons for the proposed disqualification and provide such bidder the opportunity to be heard at an informal hearing at which such bidder is afforded the opportunity to refute the reasons for the disqualification.

Management's Response:

The management of the Red River Fire Protection District will strictly comply with the requirements of the Louisiana Bid Law.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
Coushatta, Louisiana
Summary Schedule of Prior Year Findings
December 31, 2009

FINDINGS RELATED TO INTERNAL CONTROL

None

FINDINGS RELATED TO COMPLIANCE

None