

**RED RIVER PARISHWIDE
FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 2003**

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

Release Date 9-22-04

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
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DECEMBER 31, 2003

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RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003


Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, James Hester, President of the Red River Parishwide Fire Protection District, who, duly sworn, deposes and says, that the financial statements herewith given presents fairly the financial position of the Red River Parishwide Fire Protection District, at December 31, 2003 and the results of operations for the year then ended in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.


President

Sworn to and subscribed before me, this 14th day of September, 2004.


NOTARY PUBLIC
10 15689

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Red River Parishwide Fire Protection District
Coushatta, Louisiana 71019

We have audited the accompanying basic financial statements 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, 2003, as listed in the table of contents. These basic financial statements are the responsibility of management of the Red River Parishwide Fire Protection District. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, 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 opinion.

As discussed in Note 1 to the financial statements, no accounting records are available to support the historical cost of the Red River Parishwide Fire Protection District's capital assets. Accordingly, it was unreasonable for us to extend our audit of capital assets, accumulated depreciation and depreciation expense beyond the amounts recorded.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the capital assets referred to in the preceding paragraph been susceptible to satisfactory audit test, the financial statements referred to above present fairly, in all material respects, the financial position of the Red River Parishwide Fire Protection District as of December 31, 2003, and the results of its operations 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 a report dated September 14, 2004, on our consideration of the Red River Parishwide Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis and the budgetary information on pages 3 through 7 and 20, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Red River Parishwide Fire Protection District taken as a whole. The accompanying supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hines, Jackson & Hines
Natchitoches, Louisiana
September 14, 2004

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS
DECEMBER 31, 2003

The Management's Discussion and Analysis of the Red River Parishwide Fire Protection District's financial performance presents a narrative overview and analysis of Red River Parishwide Fire Protection District's financial activities for the year ended December 31, 2003. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the transmittal letter and the Red River Parishwide Fire Protection District's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

- 1) The Red River Parishwide Fire Protection District had cash and investments of \$114,660 at December 31, 2003 which represents a decrease of \$85,794 from prior year end.
- 2) The Red River Parishwide Fire Protection District had accounts receivable of \$180,161 at December 31, 2003 which represents an increase of \$72,647 from prior year end.
- 3) The Red River Parishwide Fire Protection District had accounts payable and accruals of \$8,784 at December 31, 2003 which represents a decrease of \$22,979 from prior year end.
- 4) The Red River Parishwide Fire Protection District had total revenues of \$254,510 for the year ended December 31, 2003 which represents an increase of \$30,360 from prior year.
- 5) The Red River Parishwide Fire Protection District had tax revenues of \$171,005 for the year ended December 31, 2003 which represents an increase of \$78,869 from prior year.
- 6) The Red River Parishwide Fire Protection District had total expenses of \$217,190 for the year ended December 31, 2003 which represents an increase of \$92,699 from prior year.
- 7) The Red River Parishwide Fire Protection District had operating services expenses of \$60,991 for the year ended December 31, 2003 which represents an increase of \$15,283 from prior year.
- 8) The Red River Parishwide Fire Protection District had supplies expenses of \$44,443 for the year ended December 31, 2003 which represents an increase of \$11,137 from prior year.
- 9) The Red River Parishwide Fire Protection District had capital asset purchases of \$293,671 for the year ended December 31, 2003 which represents a decrease of \$208,098 from prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Red River Parishwide Fire Protection District as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information
(Other than MD&A)

These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

This annual report consist of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 8 and 9) provide information about the activities of the Red River Parishwide Fire Protection District as a whole and present a longer-term view of the District's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities report the District's net assets and changes in them. You can think of the District's net assets, the difference between assets and liabilities, as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the Fund's net assets are one indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 10. All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Fund's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Fund's activities as well as what remains for future spending.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of Year End

	<u>2003</u>	<u>2002</u>
Current and other assets	\$ 294,821	\$ 307,968
Capital assets, net	<u>441,954</u>	<u>256,766</u>
Total Assets	<u>\$ 736,775</u>	<u>\$ 564,734</u>
Other liabilities	\$ 8,784	\$ 31,763
Capital lease obligation	<u>162,500</u>	<u>0</u>
Total Liabilities	<u>171,284</u>	<u>31,763</u>
Net assets		
Investment in capital assets, net of related debt	279,454	256,766
Unrestricted	<u>286,037</u>	<u>276,205</u>
Total Net Assets	<u>565,491</u>	<u>532,971</u>
Total Liabilities and Net Assets	<u>\$ 736,775</u>	<u>\$ 564,734</u>

Net assets of the Red River Parishwide Fire Protection District's increased by \$32,520 or 6.10% from the previous fiscal year. The increase is the result of program and general revenues exceeding operating expenses during the fiscal year ended 2003 (See table below).

Statement of Activities
For the Year Ended

	<u>2003</u>	<u>2002</u>
General government Expenses	\$ (217,190)	\$ (124,491)
Program revenues		
Operating and capital grants and contributions	<u>56,620</u>	<u>108,900</u>
Subtotal	(160,570)	(15,591)
General revenues	<u>193,090</u>	<u>110,450</u>
Change in net assets	<u>\$ 32,520</u>	<u>\$ 94,859</u>

The Red River Parishwide Fire Protection District's total revenues increased by \$30,360 or 13.84% from the previous year. The total cost of all programs and services increased by \$92,699 or 74.46% from the previous year.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2003, the Red River Parishwide Fire Protection District had \$441,954, net of depreciation, invested in a broad range of capital assets (See table below). This amount represents a net increase (including additions and deductions) of \$185,188 or 72.12% from the previous year.

Capital Assets at Year End
(Net of Depreciation)

	2003	2002
Land	\$ 0	\$ 0
Buildings and building improvements	19,866	9,690
Automobiles	330,166	213,555
Machinery and equipment	91,922	33,521
Total	\$ 441,954	\$ 256,766

This year's major additions included:

Building and building improvements	\$ 11,248
Automobiles	\$ 212,500
Machinery and equipment	\$ 69,923

This year's major retirements included:

Machinery and equipment	\$ 207,340
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Debt

The Red River Parishwide Fire Protection District had \$162,500 in capital lease obligations outstanding at year end compared to \$0 at the previous year end, an increase of \$162,500 or 100.00% as shown in the table below.

Outstanding Debt at Year End

	2003	2002
Capital lease obligation	\$ 162,500	\$ 0
Totals	\$ 162,500	\$ 0

New debt during the year included:

Capital lease obligation	\$ 162,500
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RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Actual revenues were \$162,727 more than budgeted amounts due to taxes and intergovernmental revenues being more than expected.

Actual expenditures were \$331,053 more than budgeted amounts due to capital outlay being more than expected.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Red River Parishwide Fire Protection District's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Taxes
- 2) Fire insurance rebate
- 3) Intergovernmental revenues (reimbursements from police jury and/or state and federal grants)

The Red River Parishwide Fire Protection District does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT'S MANAGEMENT

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

EXHIBIT A

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2003

ASSETS	
Current Assets	
Cash	\$ 52,603
Investments	62,057
Accounts receivable	<u>180,161</u>
Total Current Assets	294,821
Noncurrent Assets	
Capital assets, net	<u>441,954</u>
Total Assets	<u>\$ 736,775</u>
 LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities	
Current portion of capital lease obligation	\$ 37,831
Accounts payable and accruals	<u>8,784</u>
Total Current Liabilities	46,615
Noncurrent Liabilities	
Capital lease obligation, net of current portion	<u>124,669</u>
Total Liabilities	171,284
NET ASSETS	
Investment in capital assets, net of related debt	279,454
Unrestricted	<u>286,037</u>
Total Net Assets	<u>565,491</u>
Total Liabilities and Net Assets	<u>\$ 736,775</u>

The accompanying notes are an integral part of this statement.

EXHIBIT B

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Assets</u>
General Government					
Personal services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Travel	0	0	0	0	0
Operating services	60,991	0	996	0	(59,995)
Supplies	44,433	0	671	0	(43,762)
Professional services	3,283	0	53	0	(3,230)
Depreciation	108,483	0	0	54,900	(53,583)
Total General Government	<u>\$ 217,190</u>	<u>\$ 0</u>	<u>\$ 1,720</u>	<u>\$ 54,900</u>	<u>(160,570)</u>
General Revenues					
Taxes					171,005
Fire insurance rebate					22,349
Interest income					3,686
Miscellaneous					850
Transfers (Red River Parish Police Jury)					<u>(4,800)</u>
Total General Revenues and Transfers					<u>193,090</u>
Change in Net Assets					32,520
Net Assets, Beginning of year as restated					<u>532,971</u>
Net Assets, End of year					<u>\$ 565,491</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2003

ASSETS	
Cash	\$ 52,603
Investments	62,057
Accounts receivable	<u>180,161</u>
Total Assets	<u>\$ 294,821</u>
 LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable and accruals	<u>\$ 8,784</u>
Total Liabilities	8,784
 FUND BALANCES	
Unreserved	<u>286,037</u>
Total Fund Balances	<u>286,037</u>
 Total Liabilities and Fund Balances	 <u>\$ 294,821</u>

The accompanying notes are an integral part of this statement.

EXHIBIT D

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2003

Total Fund Balances for Governmental Funds (Exhibit C) \$ 286,037

Total Net Assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Buildings and building improvements, net of \$343,378 in accumulated depreciation.	\$ 19,866	
Automobiles, net of \$875,824 in accumulated depreciation.	330,166	
Machinery and equipment, net of \$23,294 in accumulated depreciation.	<u>91,922</u>	
Total Capital Assets		441,954

Long-term liabilities, including capital lease obligations payable, are not due and payable in the current period and therefore are not reported in the fund liabilities. (162,500)

Total Net Assets of Governmental Activities (Exhibit A) \$ 565,491

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL
FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES	
Taxes	\$ 171,005
Intergovernmental revenues	56,620
Fire insurance rebate	22,349
Interest income	3,686
Miscellaneous	850
Total Revenues	<u>254,510</u>
EXPENDITURES	
General government	
Personal services	0
Travel	0
Operating services	60,991
Supplies	44,433
Professional services	3,283
Capital outlay	293,671
Total Expenditures	<u>402,378</u>
Excess/(Deficiency) Of Revenues Over Expenditures	(147,868)
Other Financing Sources/(Uses)	
Proceeds from issuing capital lease obligations	162,500
Transfers (Red River Parish Police Jury)	(4,800)
Total Other Financing Sources/(Uses)	<u>157,700</u>
Net Change in Fund Balance	9,832
Fund Balance, Beginning of year	<u>276,205</u>
Fund Balance, End of year	<u>\$ 286,037</u>

The accompanying notes are an integral part of this statement.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
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, 2003

Net Change in Fund Balances-Total Governmental Funds (Exhibit E)	\$ 9,832
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 are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$293,671) exceeds depreciation (\$108,483) in the current period.	185,188
Capital lease proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities.	<u>(162,500)</u>
Change in Net Assets of Governmental Activities (Exhibit B)	<u>\$ 32,520</u>

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

The Red River Parishwide Fire Protection District was created by the Red River Parish Police Jury, as authorized by Louisiana Revised Statute 40:1502.8, for the purpose of providing fire protection within the geographical boundaries of Red River Parish. The District is governed by a board of eight commissioners appointed by the Police Jury.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This Codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Red River Parishwide Fire Protection District present information only as to the transactions of the programs of the Red River Parishwide Fire Protection District as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Red River Parishwide Fire Protection District are maintained in accordance with applicable statutory provisions:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Red River Parishwide Fire Protection District prepares and adopts a budget each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The District amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Red River Parishwide Fire Protection District defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

D. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

E. Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2003, \$0 were considered to be uncollectible.

F. Capital Assets

At December 31, 2003, no historical records supporting the carrying value of capital assets could be located. Management is currently making an effort to locate these records, but none were available at the time of the audit. Based on the lack of supporting documents, we could not make a determination on the carrying value of capital assets, accumulated depreciation, or depreciation expense for the year ended December 31, 2003.

Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and other improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

G. Compensated Absences

The Red River Parishwide Fire Protection District does not have any full 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 FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Estimates

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

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions including savings, demand deposits, time deposits, and certificates of deposit. Under state law the Red River Parishwide Fire Protection District may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further the Fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits 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 bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The deposits at December 31, 2003 were secured as follows:

	Cash	Certificates of Deposit	Total
Deposits in bank accounts per balance sheet	\$ 52,603	\$ 62,057	\$ 114,660
Bank Balances:		Certificates of Deposit	Total
1. Insured or collateralized with securities held by the entity or its agency in the entity's name	\$ 100,000	\$ 62,057	\$ 162,057
2. Collateralized with securities held by the pledging institution's trust department or agent in the entity's name	15,321	0	15,321
3. Uncollateralized, including any securities held for the entity but not in entity's name	0	0	0
Total Bank Balances	\$ 115,321	\$ 62,057	\$ 177,378

The following is a breakdown by banking institution and amount of the balances shown above:

Banking Institution	Amount
American Bank & Trust	\$ 115,321
Sabine State Bank	62,057
Total	\$ 177,378

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 3 ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at December 31, 2003:

<u>Class of Receivable</u>	
Taxes	\$ 179,963
Interest	<u> 198</u>
Total	<u>\$ 180,161</u>

NOTE 4 CAPITAL ASSETS

A summary of the Red River Parishwide Fire Protection District's capital assets at December 31, 2003 follows:

	<u>Balance December 31, 2002</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2003</u>
Capital Assets				
Buildings and building improvements	\$ 351,996	\$ 11,248	\$ 0	\$ 363,244
Less accumulated depreciation	<u>(342,306)</u>	<u>(1,072)</u>	<u> 0</u>	<u>(343,378)</u>
Total Buildings and building improvements	9,690	10,176	0	19,866
Automobiles	993,490	212,500	0	1,205,990
Less accumulated depreciation	<u>(779,935)</u>	<u>(95,889)</u>	<u> 0</u>	<u>(875,824)</u>
Total Automobiles	213,555	116,611	0	330,166
Machinery and equipment	252,633	69,923	(207,340)	115,216
Less accumulated depreciation	<u>(219,112)</u>	<u>(11,522)</u>	<u>207,340</u>	<u>(23,294)</u>
Total machinery and equipment	<u>33,521</u>	<u>58,401</u>	<u> 0</u>	<u>91,922</u>
Total Capital Assets, net	<u>\$ 256,766</u>	<u>\$ 185,188</u>	<u>\$ 0</u>	<u>\$ 441,954</u>

NOTE 5 ACCOUNTS PAYABLE AND ACCRUALS

The following is a summary of accounts payable at December 31, 2003:

<u>Class of Payable</u>	
Vendor	\$ 2,552
Ad valorem taxes-retirement system	<u> 6,232</u>
Total	<u>\$ 8,784</u>

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 6 LEASES

On July 29, 2003, the Red River Parishwide Fire Protection District entered into a lease agreement for the acquisition of a fire truck. The agreement provides for a down payment of \$50,000 and four (4) annual payments of \$45,582.33. At the maturity of the lease term, the District may purchase the fire truck for one (1) dollar. The cost of the fire truck, \$212,500, is included as an asset and an obligation in the financial statements.

The following is a schedule of future minimum lease payments and the present value of the net future minimum lease payments as of December 31, 2003:

<u>Year Ending</u> <u>December 31</u>	<u>Fire Truck</u>
2004	\$ 45,582
2005	45,582
2006	45,582
2007	<u>45,582</u>
Total minimum lease payments	182,328
Less amount representing interest	<u>(19,828)</u>
Present value of minimum lease payments	<u>\$ 162,500</u>

The Red River Parishwide Fire Protection District was not obligated under any operating leases at December 31, 2003.

NOTE 7 LITIGATION

There was no outstanding litigation against the Red River Parishwide Fire Protection District at December 31, 2003.

NOTE 8 PRIOR YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for December 31, 2003:

Fund Balance, beginning of year as previously reported	\$ 276,205
Adjustments: Investments in Capital Assets, beginning of year	1,598,119
Accumulated Depreciation, beginning of year	<u>(1,341,353)</u>
Net Assets, beginning of year as restated	<u>\$ 532,971</u>

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Fav./Unfav.)</u>
REVENUES				
Taxes	\$ 76,021	\$ 88,421	\$ 171,005	\$ 82,584
Intergovernmental revenues	0	1,720	56,620	54,900
Fire insurance rebate	18,500	0	22,349	22,349
Interest income	0	684	3,686	3,002
Miscellaneous	<u>2,000</u>	<u>958</u>	<u>850</u>	<u>(108)</u>
Total Revenues	96,521	91,783	254,510	162,727
EXPENDITURES				
General government				
Personal services	0	0	0	0
Travel	0	0	0	0
Operating services	69,350	21,084	60,991	(39,907)
Supplies	6,000	2,209	41,095	(38,886)
Professional services	1,150	3,321	3,283	38
Capital outlay	<u>59,668</u>	<u>44,711</u>	<u>297,009</u>	<u>(252,298)</u>
Total Expenditures	136,168	71,325	402,378	(331,053)
Excess/(Deficiency) Of Revenues Over Expenditures	(39,647)	20,458	(147,868)	(168,326)
Other Financing Sources/(Uses)				
Proceeds from issuing capital lease obligations	0	0	162,500	162,500
Transfers (Red River Parish Police Jury)	<u>(9,600)</u>	<u>(4,800)</u>	<u>(4,800)</u>	<u>0</u>
Total Other Financing Sources/(Uses)	(9,600)	(4,800)	157,700	162,500
Net Change in Fund Balance	(49,247)	15,658	9,832	(5,826)
Fund Balance, Beginning of year	<u>276,205</u>	<u>276,205</u>	<u>276,205</u>	<u>0</u>
Fund Balance, End of year	<u>\$ 226,958</u>	<u>\$ 291,863</u>	<u>\$ 286,037</u>	<u>\$ (5,826)</u>

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE 2

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
DECEMBER 31, 2003

Michelle Canterbury	\$	0
Anna Cotton		0
H. M. Fowler		0
James Hester, President		0
Brandon McCartney		0
Bob May		0
Clayton Warren		<u>0</u>
Total	\$	<u>0</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.

In accordance with Louisiana Revised Statute 40:1498, members, including police jurors serving ex-officio, may be paid per diem of \$30 for attending board meetings, not to exceed two meetings in one calendar month.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2003

SECTION #1

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

- | | | |
|----|---|--|
| 1. | Type of auditors' report issued. | Unqualified, exception for capital assets on which no opinion was expressed. |
| 2. | Internal control over financial reporting: | |
| | a) Material weaknesses identified? | None |
| | b) Reportable conditions identified not considered to be material weaknesses? | None |
| | c) Noncompliance material to the financial statements noted? | None |

SECTION #2

FINANCIAL STATEMENT FINDINGS

- | | |
|---------|--|
| 2003-01 | The District was not in compliance with all the requirements of the Local Government Budget Act. |
| 2003-02 | Capital asset records were not being maintained by the District. |
| 2003-03 | The District was not in compliance with state statutes requiring audited financial statements to be completed and submitted to the Legislative Auditor within six months after year end. |

HINES, JACKSON & HINES, L.L.C.

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

Board of Commissioners
Red River Parishwide Fire Protection District
Coushatta, Louisiana 71019

We have audited the basic financial statements 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, 2003, and have issued our report thereon dated September 14, 2004. 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.

Compliance

As part of obtaining reasonable assurance about whether the Red River Parishwide Fire Protection District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 three instance of noncompliance that are required to be reported under Government Auditing Standards. A description of the finding can be found in findings 2003-01, 2003-02 and 2003-03 of the accompanying Corrective Action Plan For Current Year Audit Findings, Schedule 5.

Internal Control Over Financial Reporting

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

This report is intended solely for the information and use of the Red River Parishwide Fire Protection District and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than the specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Hines, Jackson & Hines

Natchitoches, Louisiana
September 14, 2004

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Nothing came to our attention that would require disclosure under Government Auditing Standards.

RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT
COUSHATTA, LOUISIANA
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Correct Action Planned</u>	<u>Name(s) of Contract Person(s)</u>	<u>Anticipated Completion Date</u>
2003-01	The District was not in compliance with all the requirements of the Local Government Budget Act.	A budget will be prepared for all required funds in accordance with the Local Government Budget Act and amended whenever there has been a change in operations upon which the original budget was developed.	James Hester, President	9/30/2004
2003-02	Capital asset records were not being maintained by the District.	Information necessary to support capital asset balances will be obtained/maintained in accordance with state laws.	James Hester, President	12/31/2004
2003-03	The District was not in compliance with state statutes requiring audited financial statements to be completed and submitted to the Legislative Auditor within six months after year end.	The District will make sure that all necessary documentation is provided to its auditor within a reasonable amount of time to ensure the report is completed and submitted in accordance with state laws.	James Hester, President	12/31/2004

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Board of Commissioners
Red River Parishwide Fire Protection District
Coushatta, Louisiana 71019

We are writing this letter as a follow-up to our recent audit of the basic financial statements of the Red River Parishwide Fire Protection District, Coushatta, Louisiana, a component unit of the Red River Parish Police Jury, as of December 31, 2003, and for the year then ended. We offer the following observations and recommendations, which are intended to help improve compliance, record keeping procedures and general operations of the District and are intended to be constructive in nature:

1) Existing Conditions:

The District was not in compliance with all the requirements of the Local Government Budget Act.

Recommended Action:

A budget should be prepared for all required funds in accordance with the Local Government Budget Act and amended whenever there has been a change in operations upon which the original budget was developed.

Management's Response:

A budget will be prepared for all required funds in accordance with the Local Government Budget Act and amended whenever there has been a change in operations upon which the original budget was developed.

2) Existing Conditions:

Capital asset records were not being maintained by the District.

Recommended Action:

Information necessary to support capital asset balances should be obtained/maintained in accordance with state laws.

Management's Response:

Information necessary to support capital asset balances will be obtained/maintained in accordance with state laws.

3) Existing Conditions:

The District was not in compliance with state statutes requiring audited financial statements to be completed and submitted to the Legislative Auditor within six months after year end.

Recommended Action:

The District should make sure that all necessary documentation is provided to its auditor within a reasonable amount of time to ensure the report is completed and submitted in accordance with state laws.

Management's Response:

The District will make sure that all necessary documentation is provided to its auditor within a reasonable amount of time to ensure the report is completed and submitted in accordance with state laws.

Page #2

These comments and recommendations are not all inclusive and are not intended to be critical of anyone. We would like to thank the District's management and staff for their courtesy and cooperation during our engagement. If you have any questions or concerns, please let us know.

Hines, Jackson & Hines
Natchitoches, Louisiana
September 14, 2004