

ALL : 45  
CADDO PARISH FIRE DISTRICT NUMBER EIGHT

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FINANCIAL STATEMENTS

December 31, 1998

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

1999  
Release Date \_\_\_\_\_

# Caddo Parish Fire District Number Eight

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**INDEPENDENT AUDITORS' REPORT**

To the Members of the Board of Commissioners  
Caddo Parish Fire District Number Eight  
Caddo Parish, Louisiana

We have audited the accompanying general purpose financial statements of Caddo Parish Fire District Number Eight, a component unit of the Caddo Parish Commission, as of and for the year ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of Caddo Parish Fire District Number Eight's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. 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.

*Governmental Accounting Standards Board Technical Bulletin 99-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the Year 2000 Issue. Caddo Parish Fire District Number Eight has included such disclosures in Note 11. Because of the unprecedented nature of the Year 2000 Issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support Caddo Parish Fire District Number Eight's disclosures with respect to the Year 2000 Issue made in Note 11. Further, we do not provide assurance that Caddo Parish Fire District Number Eight, is or will be year 2000 ready, that Caddo Parish Fire District Number Eight's year 2000 remediation efforts will be successful in whole or in part, or that parties with which Caddo Parish Fire District Number Eight, does business will be year 2000 ready.*

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Caddo Parish Fire District Number Eight, as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government and Auditing Standards*, we have also issued a report dated June 28, 1999 on our consideration of Caddo Parish Fire District Number Eight's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

*Smith Pugh Rabinowitz LLP*  
Certified Public Accountants

June 28, 1999

**Caddo Parish Fire District Number Eight**  
 Combined Balance Sheet - All Fund Types and Account Groups  
 December 31, 1998

Assets	Governmental Fund Types		Account Group		Totals (Memorandum Only)	
	General	Debt Service	General Fixed Assets	General Long-term Debt	December 31, 1998	December 31, 1997
	\$	\$	\$	\$	\$	\$
Cash	83,824	167,220	-	-	251,044	212,781
Investments	100,000	-	-	-	100,000	100,175
Accounts receivable	126,661	-	-	-	126,661	131,800
Parcel fees	-	243,411	-	-	243,411	251,113
Ad valorem taxes	-	(45,000)	-	-	(45,000)	(71,679)
Less allowance for uncollectible taxes	4,475	-	-	-	4,475	3,734
Prepays	-	12,878	-	-	12,878	68,641
Due from other funds	-	-	-	-	-	-
Fixed assets	-	-	1,416,231	-	1,416,231	1,397,988
Amount to be provided for retirement of general long-term debt	-	-	-	825,000	825,000	910,000
<b>Total Assets</b>	<b>\$ 314,960</b>	<b>\$ 378,509</b>	<b>\$ 1,416,231</b>	<b>\$ 825,000</b>	<b>\$ 2,934,700</b>	<b>\$ 3,004,553</b>
<b>Liabilities and Fund Balance</b>						
<b>Liabilities:</b>						
Payroll withholdings	253	-	-	-	253	1,617
Due to other funds	12,878	-	-	-	12,878	68,641
General obligation bonds payable	-	-	-	825,000	825,000	910,000
<b>Total Liabilities</b>	<b>13,131</b>	<b>-</b>	<b>-</b>	<b>825,000</b>	<b>838,131</b>	<b>980,258</b>
<b>Fund Balance:</b>						
Investment in general fixed assets	-	-	1,416,231	-	1,416,231	1,397,988
Fund balance:						
Reserved for debt service	-	378,509	-	-	388,684	318,816
Unreserved/undesignated	301,829	-	-	-	301,829	307,491
<b>Total Fund Balance</b>	<b>301,829</b>	<b>378,509</b>	<b>1,416,231</b>	<b>-</b>	<b>2,096,569</b>	<b>2,024,295</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 314,960</b>	<b>\$ 378,509</b>	<b>\$ 1,416,231</b>	<b>\$ 825,000</b>	<b>\$ 2,934,700</b>	<b>\$ 3,004,553</b>

See accompanying notes to financial statements.

## Caddo Parish Fire District Number Eight

### Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund Types Year Ended December 31, 1998

	<u>General</u>	<u>Debt Service</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
			<u>1998</u>	<u>1997</u>
<b>Revenues:</b>				
Taxes	\$ -	\$ 186,230	\$ 186,230	\$ 209,950
Parcel fees	132,150	-	132,150	131,800
Intergovernmental:				
Fire insurance rebate	14,597	-	14,597	14,174
State supplemental pay	7,200	-	7,200	-
Interest income	928	1,208	2,136	1,842
Investment income	5,000	-	5,000	5,000
Miscellaneous	<u>1,340</u>	<u>-</u>	<u>1,340</u>	<u>1,237</u>
Total revenues	<u>161,215</u>	<u>187,438</u>	<u>348,653</u>	<u>364,003</u>
<b>Expenditures:</b>				
Current:				
General government	27,649	(16,888)	10,761	50,625
Public safety	120,985	-	120,985	116,805
Capital outlay	18,243	-	18,243	4,852
Debt Service:				
Principal retirement	-	85,000	85,000	80,000
Interest paid	<u>-</u>	<u>59,633</u>	<u>59,633</u>	<u>65,119</u>
Total expenditures	<u>166,877</u>	<u>127,745</u>	<u>294,622</u>	<u>317,401</u>
<b>Excess (Deficiency) of Revenues over</b>				
Expenditures	(5,662)	59,693	54,031	46,602
<b>Fund Balance at Beginning of Year</b>	<u>307,491</u>	<u>318,816</u>	<u>626,307</u>	<u>579,705</u>
<b>Fund Balance at End of Year</b>	<u>\$ 301,829</u>	<u>\$ 378,509</u>	<u>\$ 680,338</u>	<u>\$ 626,307</u>

## Caddo Parish Fire District Number Eight

Combined Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (GAAP Basis) and Actual - General Fund  
Year Ended December 31, 1998

	General Fund		
	Budget (GAAP Basis)	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Parcel fees	\$ 131,800	\$ 132,150	\$ 350
Intergovernmental	14,147	21,797	7,650
Interest	5,000	5,928	928
Miscellaneous	500	1,340	840
<b>Total revenues</b>	151,447	161,215	9,768
<b>Expenditures:</b>			
Current:			
General government	32,800	27,649	5,151
Public safety	131,615	120,985	10,630
Capital outlay	4,060	18,243	(14,183)
<b>Total expenditures</b>	168,475	166,877	1,598
<b>Excess (Deficiency) of Revenues over Expenditures</b>	(17,028)	(5,662)	11,366
<b>Fund Balance at Beginning of Year</b>	307,491	307,491	-
<b>Fund Balance at End of Year</b>	\$ 290,463	\$ 301,829	\$ 11,366

See accompanying notes to financial statements.

## Caddo Parish Fire District Number Eight

Notes to Financial Statements  
December 31, 1998

The Caddo Parish Fire District Number Eight (the District) was created by the Caddo Parish Commission by ordinance on February 24, 1988, as provided under the Louisiana Revised Statutes 40:1496. The District is comprised of property in Northwest Caddo Parish and is governed by a Board of Commissioners, who are appointed by the Caddo Parish Commission. The purpose of the District is to provide fire protection and emergency services to residents of the District.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accompanying general purpose financial statements of Caddo Parish Fire District Number Eight have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The following is a summary of the more significant accounting policies:

**Reporting Entity** - As the governing authority of the parish, for reporting purposes, the Caddo Parish Commission (the Commission) is the financial reporting entity for Caddo Parish. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Caddo Parish Commission for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the Commission 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 Commission.
2. Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Commission.
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 Commission meets the first criterion listed above, the District was determined to be a component unit of the Caddo Parish Commission, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Commission, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

These financial statements include all funds and account groups over which the District exercises control, authority, management, influence or accountability. Control by or influence over the District was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of the governing body, and general oversight responsibility.

# Caddo Parish Fire District Number Eight

Notes to Financial Statements  
December 31, 1998

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

**Fund Accounting** - The accounts of the District are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

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

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

**Basis of Accounting** - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheets. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recorded 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 be used to pay liabilities of the current period. The District considers property taxes available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred.

**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.

**Budgets and Budgetary Accounting** - The District follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The budget is prepared by the Board of Commissioners.
2. A summary of the proposed budget is published and the public notified that the budget is available for public inspection.
3. All budgetary appropriations lapse at the end of each calendar year.
4. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Commissioners. The 1998 budget was amended in accordance with Louisiana statutes by the Board of Commissioners.

# Caddo Parish Fire District Number Eight

Notes to Financial Statements  
December 31, 1998

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

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

**Investments** - Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

**Bad Debts** - Uncollectible amounts due for ad valorem taxes 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. An allowance account for parcel fees was not considered necessary due to the history of parcel fee collections.

**Fixed Assets** - Fixed assets are recorded as expenditures in the governmental funds at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated.

**Long-term Debt** - Long-term liabilities expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term liabilities are recognized in the governmental funds when due.

**Compensated Absences** - Compensated absences do not accrue past the calendar year and are not paid for if not taken. Therefore, no liability for compensated absences exist.

**Total Columns on Combined Statements** - Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

## 2. CASH AND INVESTMENTS:

### Cash

The District's cash is categorized to give an indication of the level of risk assumed by the District at December 31, 1998. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Uncollateralized.

## Caddo Parish Fire District Number Eight

Notes to Financial Statements  
December 31, 1998

### 2. CASH AND INVESTMENTS (Continued):

Cash deposits at December 31, 1998, categorized by level of risk, are:

<u>Description</u>	<u>Category</u>			<u>Bank Balance</u>	<u>Carrying Amount</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Unrestricted cash - general fund	\$ 85,309	\$ -	\$ -	\$ 85,309	\$ 83,824
Unrestricted cash - debt service fund	<u>100,000</u>	<u>67,220</u>	<u>-</u>	<u>167,220</u>	<u>167,220</u>
Total deposits	<u>\$ 185,309</u>	<u>\$ 67,220</u>	<u>\$ -</u>	<u>\$ 252,529</u>	<u>\$ 251,044</u>

#### Investments

For the year ended December 31, 1998, the District invested only in U.S. obligations. As of December 31, 1998, the General Fund had an investment consisting of a U.S. Treasury Note with a carrying value of \$100,000, which approximates fair market value.

The District's investments are categorized to give an indication of the level of risk assumed by the District at December 31, 1998. The categories are described as follows:

- Category 1 - Insured or registered, with securities held by the District or its agent in the District's name.
- Category 2 - Uninsured or unregistered, with the securities held by the counterparty's trust department or agent in the District's name.
- Category 3 - Uninsured and unregistered, with securities held by the counterparty, or its trust department or agent but not in the District's name.

Investments, categorized by level of risk, are:

<u>Description</u>	<u>Category</u>			<u>Carrying Amount</u>	<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
U.S. Treasury Notes	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>

### 3. PROPERTY TAXES AND PARCEL FEES:

Property taxes are levied by the District on property values assessed by the State of Louisiana Tax Commission. In an election on October 11, 1989, the voters approved the levy of property taxes. The District levies taxes on real and business personal property within its boundaries. Property taxes attach as an enforceable lien on property as of January 1 of each year. Property taxes are recorded as receivables and revenue in the year assessed to the extent that revenues are collected within 60 days after year-end. For the year ended December 31, 1998, taxes of 12 mills were levied on property with assessed valuations totaling \$18,309,360 and were dedicated for the retirement of the

## Caddo Parish Fire District Number Eight

Notes to Financial Statements  
December 31, 1998

### 3. PROPERTY TAXES AND PARCEL FEES (continued):

general obligation bonds. After the application of homestead exemptions and adjudicated property, total taxes levied at December 31, 1998, were \$186,230.

During the year ended December 31, 1998, the District made a negative provision to the allowance for uncollectible ad valorem taxes in the amount of \$26,679.

The voters also approved the levying of a \$50 parcel fee per structure to fund the operations and maintenance of the District. Total parcel fees levied at December 31, 1998, were \$132,150.

### 4. CHANGES IN GENERAL FIXED ASSETS:

A summary of changes in general fixed assets follows:

	Balance December 31, 1997	Additions	Deductions	Balance December 31, 1998
Land	\$ 25,000	\$ -	\$ -	\$ 25,000
Buildings	675,009	-	-	675,009
Equipment	222,077	1,050	-	223,127
Vehicles	475,902	17,193	-	493,095
Total	\$ 1,397,988	\$ 18,243	\$ -	\$ 1,416,231

### 5. LONG-TERM DEBT:

In an election held on October 11, 1989, the voters authorized the issuance of \$1,325,000 in general obligation bonds for acquiring land, buildings, and equipment to be used in providing fire protection to the District. The bonds were issued on May 15, 1990, and are payable in annual principal installments of \$15,000 to \$145,000 with interest paid semi-annually at rates ranging from 12% to 6.4%.

A summary of change in general long-term obligations is as follows:

Balance, December 31, 1997	\$ 910,000
Debt retirements	85,000
Balance, December 31, 1998	\$ 825,000

## Caddo Parish Fire District Number Eight

Notes to Financial Statements  
December 31, 1998

### 5. LONG-TERM DEBT (Continued):

The annual requirements to amortize the general obligation bonds as of December 31, 1998, including interest payments, are as follows:

<u>Year Ending December 31</u>	<u>Principal and Interest Due</u>
1999	\$ 148,555
2000	146,875
2001	149,740
2002	147,203
2003	148,975
2004-2005	<u>299,950</u>
Total	1,041,298
Less interest	<u>216,298</u>
Outstanding principal	<u>\$ 825,000</u>

### 6. RETIREMENT COMMITMENTS:

#### Firefighters' Retirement System of Louisiana

*Plan Description.* Substantially all employees of Fire District No. Eight of Caddo Parish are members of the Louisiana Firefighters Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (504) 925-4060.

## Caddo Parish Fire District Number Eight

Notes to Financial Statements  
December 31, 1998

### 6. RETIREMENT COMMITMENTS (Continued):

*Funding Policy.* Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Caddo Parish Fire Protection District is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Caddo Parish Fire Protection District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Caddo Parish Fire Protection District's contributions to the System for the years ending December 31, 1998, 1997, and 1996, were \$6,132, \$4,388 and \$4,476, respectively, equal to the required contributions for each year.

### 7. PER DIEM PAID TO BOARD MEMBERS:

Caddo Parish Fire District Number Eight has a voluntary board, therefore no per diem amounts were paid during this period.

### 8. COMMITMENTS AND CONTINGENCIES:

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss, including workers' compensation. Settlements have not exceeded insurance coverage in any of the past three years.

### 9. RELATED PARTY TRANSACTIONS:

Procedures, observations, and inquiries did not disclose any material related party transactions for the years ended December 31, 1998 and 1997.

### 10. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES:

Governmental Accounting Standards Board Statement No. 24 requires that on-behalf payments be recognized as both revenue and expenditure by an employer governmental entity. In accordance with this Statement, \$7,200 has been recognized in both intergovernmental revenue - state supplemental pay and public safety expenditures due to on-behalf payments for fringe benefits and salaries.

### 11. YEAR 2000 ISSUE:

The Year 2000 Issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

Caddo Parish Fire District Number Eight, Caddo Parish, Louisiana, has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 Issue and that are necessary to conducting the District's operations. Based on this inventory, the District is in the awareness stage of compiling costs for hardware and software believed to be year 2000 compliant for the financial reporting systems. Testing and validation of the systems will need to be completed after the hardware and software are installed.

Because of the unprecedented nature of the Year 2000 Issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District is or will be year 2000 ready, that the District remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.



SMITH PUGH RABINOWITZ L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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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***

Members of the Board of Commissioners  
Caddo Parish Fire District Number Eight  
Caddo Parish, Louisiana

We have audited the general purpose financial statements of Caddo Parish Fire District Number Eight, Caddo Parish, Louisiana, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 28, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

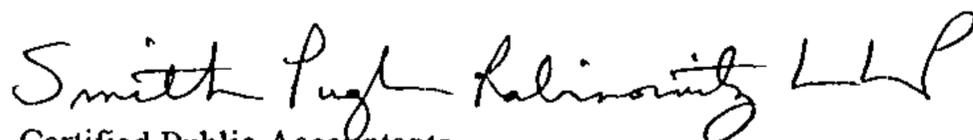
Compliance

As part of obtaining reasonable assurance about whether Caddo Parish Fire District Number Eight, Caddo Parish, Louisiana's, general purpose 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Caddo Parish Fire District Number Eight, Caddo Parish, Louisiana's, internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose 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 misstatements in amounts that would be material in relation to the general purpose 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 operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and the Board of Commissioners.

  
Certified Public Accountants  
Shreveport, Louisiana

June 28, 1999

# CADDO PARISH FIRE DISTRICT NUMBER EIGHT

## SUMMARY OF AUDIT FINDINGS

December 31, 1998

### Schedule of Findings

There were no findings for the current year.

### Corrective Action Plan

Due to no findings for the current year, there was not a corrective action plan.

### Schedule of Prior Findings

The District was subject to an audit for the prior year. There were no prior year findings.