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**DESOTO PARISH FIRE DISTRICT NUMBER ONE**

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**General Purpose Financial Statements  
With Accountant's Compilation Report  
and Agreed-Upon Procedures Report**

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

Release Date JUL 26 2000

**December 31, 1999**

DESOTO PARISH FIRE DISTRICT NUMBER ONE  
Logansport, Louisiana

General Purpose Financial Statements  
As of and for the Year Ended December 31, 1999

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

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**Accountant's Compilation Report**


To the Board of Commissioners  
DeSoto Parish Fire District Number One  
Logansport, Louisiana

We have compiled the accompanying general purpose financial statements of the DeSoto Parish Fire District Number One as of and for the year then ended December 31, 1999, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the management of DeSoto Parish Fire District Number One. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any form of assurance on them. However, we did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

A balance sheet for the general fixed asset account group as of December 31, 1999 has not been presented. Generally accepted accounting principles require that all fund types and account groups be included when a combined balance sheet is presented.

In accordance with the *Louisiana Government Audit Guide* and the provisions of state law, we have issued a report, dated June 23, 2000, on the results of our agreed-upon procedures.

  
Certified Public Accountants  
Bossier City, Louisiana

June 23, 2000

**GENERAL PURPOSE FINANCIAL STATEMENTS**

## DESOTO PARISH FIRE DISTRICT NUMBER ONE

Logansport, Louisiana

All Fund Types and Account Groups

## Balance Sheet

December 31, 1999

	Governmental	General	Totals	
	Fund -	Long-term	(Memorandum Only)	
	General Fund	Debt Account Group	1999	1998
<b>ASSETS</b>				
Cash	\$ 10,771	\$ -	\$ 10,771	\$ 33,576
Receivables:				
Ad valorem taxes	167,249	-	167,249	170,151
Less allowance for uncollectible taxes	(1,130)	-	(1,130)	-
Prepaid expenses	17,316	-	17,316	-
Amount to be provided for retirement of general long-term debt	-	290,373	290,373	221,662
Total Assets	<u>\$ 194,206</u>	<u>\$ 290,373</u>	<u>\$ 484,579</u>	<u>\$ 425,389</u>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,430	\$ -	\$ 1,430	\$ 1,724
Payroll withholdings payable	892	-	892	-
Accrued salaries and wages payable	2,206	-	2,206	-
Accrued payroll taxes payable	224	-	224	-
Capital leases payable	-	290,373	290,373	221,662
Total Liabilities	<u>4,752</u>	<u>290,373</u>	<u>295,125</u>	<u>223,386</u>
<b>Fund Equity</b>				
Fund balance - unreserved & undesignated	189,454	-	189,454	202,003
Total Fund Equity	<u>189,454</u>	<u>-</u>	<u>189,454</u>	<u>202,003</u>
Total Liabilities and Fund Equity	<u>\$ 194,206</u>	<u>\$ 290,373</u>	<u>\$ 484,579</u>	<u>\$ 425,389</u>

See accompanying notes and accountant's compilation report.

DESOTO PARISH FIRE DISTRICT NUMBER ONE  
Logansport, Louisiana  
Governmental Fund - General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended December 31, 1999

	1999	Memorandum Only 1998
REVENUES		
Ad valorem taxes	\$ 174,888	\$ 176,606
Intergovernmental:		
State revenue sharing	4,779	4,996
Fire insurance rebate	6,533	6,218
Interest	2,885	3,946
Other	7,088	1,058
<i>Total revenues</i>	196,173	192,824
EXPENDITURES		
Current:		
Public safety:		
Salaries and payroll taxes	38,836	35,562
Station and medical supplies	6,260	5,041
Repairs and maintenance	4,763	6,894
Fuel	2,244	2,326
Training and fire prevention	1,355	1,103
General government		
Utilities	6,564	6,268
Insurance	5,757	30,754
Accounting and legal	3,818	3,350
Other	1,988	1,562
Debt service:		
Lease principal	48,028	16,989
Interest	26,207	4,011
Capital outlay	62,902	126,113
<i>Total expenditures</i>	208,722	239,973
Excess (Deficiency) of Revenues Over Expenditures	(12,549)	(47,149)
Fund Balance at Beginning of Year	202,003	249,152
Fund Balance at End of Year	\$ 189,454	\$ 202,003

See accompanying notes and accountant's compilation report.

DESOTO PARISH FIRE DISTRICT NUMBER ONE  
Logansport, Louisiana  
Governmental Fund - General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Cash Basis) and Actual  
For the Year Ended December 31, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Ad valorem taxes	\$ -	\$ 177,789	\$ 177,789
Intergovernmental:			
State revenue sharing	-	4,779	4,779
Fire insurance rebate	-	6,533	6,533
Interest	-	2,885	2,885
Other	-	7,088	7,088
Total revenues	<u>\$ -</u>	<u>\$ 199,074</u>	<u>\$ 199,074</u>
<b>EXPENDITURES</b>			
Current:			
Public safety:			
Salaries and payroll taxes	42,000	36,502	5,498
Station and medical supplies	8,000	6,051	1,949
Repairs and maintenance	-	4,643	(4,643)
Fuel	6,000	1,932	4,068
Training and fire prevention	2,900	1,310	1,590
General government			
Utilities	11,000	6,426	4,574
Insurance	18,500	22,812	(4,312)
Accounting and legal	3,800	3,818	(18)
Other	-	2,386	(2,386)
Debt service	53,500	74,235	(20,735)
Capital outlay	62,000	62,902	(902)
Total expenditures	<u>207,700</u>	<u>223,017</u>	<u>(15,317)</u>
Excess (Deficiency) of Revenues Over Expenditures	(207,700)	(23,943)	183,757
Fund Balance at Beginning of Year	<u>202,003</u>	<u>202,003</u>	
Fund Balance (Deficit) at End of Year	<u>\$ (5,697)</u>	<u>\$ 178,060</u>	<u>\$ 183,757</u>



# DESOTO PARISH FIRE DISTRICT NUMBER ONE

Notes to Financial Statements  
December 31, 1999

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The DeSoto Parish Fire District Number One (the District) was created by the DeSoto Parish Police Jury by ordinance on February 8, 1989 as authorized by Louisiana Revised Statute 40:1492. The police jury and the two municipalities within the District appoint a five member board of commissioners, serving without compensation, to govern the District. The District is located in the northwest corner of DeSoto Parish and covers 100 square miles. The District provides fire protection and emergency medical services to approximately 3,500 residents. Fire stations are located in two municipalities and two communities in the District and are staffed by four part-time employees and 44 volunteers.

## 1. Summary of Significant Accounting Policies

- A. Basis of Presentation - The accompanying general purpose financial statements of DeSoto Parish Fire District Number One have been prepared in conformity with generally accepted accounting principles (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.
- B. Reporting Entity - The District is a component unit of the DeSoto Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the District because it appoints a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the 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.

- C. Fund Accounting - The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group 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.

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include:

General Fund -- the general operating fund of the district accounting for all financial resources.

- D. Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The 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 sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues - Revenues are recognized when susceptible to accrual, or 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 expenditures of the current period.



DESOTO PARISH FIRE DISTRICT NUMBER ONE

Notes to Financial Statements  
December 31, 1999

1. Summary of Significant Accounting Policies (Continued):

D. Basis of Accounting (Continued)

Revenues (Continued) - Ad valorem taxes are recorded as receivables and revenue in the year assessed to the extent that revenues are collected within 60 days after year-end. Intergovernmental revenues are recorded when received by the District.

Expenditures - Expenditures are recorded when the related fund liability is incurred.

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.

E. Budget - The District uses the following budget practices:

1. The board of commissioners prepares the budget on a cash basis.
2. The proposed budget is made available for public inspection at the office of the District.
3. The board adopts the budget prior to the commencement of the fiscal year for which the budget is being adopted.
4. The board may amend the budget at their discretion during legally convened open meetings. The budget was amended during the year and all the amendments are reflected in the budget comparison.
5. Appropriations lapse at year-end and must be appropriated again in the following year to be expended.
6. The District does not use encumbrance accounting in their accounting system.

The following reconciles the excess (deficiency) of revenues over expenditures as shown on the budget comparison on Statement C (budget-cash basis) to the excess (deficiency) of revenues over expenditures as shown on Statement B (GAAP basis):

Excess (deficiency) of revenues over expenditures (Budgetary basis)	\$ (23,943)
Adjustments:	
Property tax receivable	(2,901)
Prepaid expenses	17,055
Payables	(2,760)
Excess (deficiency) of revenues over expenditures (GAAP basis)	<u>\$ (12,549)</u>

- F. Cash - Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. 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 the laws of the United States.

**DESOTO PARISH FIRE DISTRICT NUMBER ONE**

Notes to Financial Statements  
December 31, 1999

**1. Summary of Significant Accounting Policies (Continued):**

- G. Bad Debts - Uncollectible amounts due for ad valorem taxes receivables 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 receivable.
- H. Prepaid Expenses - The District records items as prepaid if the expenditure is for a term of one year or longer.
- I. Fixed Assets - The District has not maintained a detailed record of general fixed assets for the year ended December 31, 1999, consequently a general fixed assets account group is not included in the balance sheet in the accompanying financial statements.
- J. Compensated Absences - No liability is recorded for nonvesting accumulating rights to receive vacation or sick pay benefits.
- K. Long-Term Debt - Long-term debt to be financed from governmental funds is reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term debt are recognized in the general fund when due.
- L. Reclassifications - Certain reclassifications have been made to 1998 amounts to conform to 1999 presentation. Total fund balance and changes in fund balance are unchanged due to these reclassifications.
- M. Total Columns on Statements - The total columns on the financial 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 operation in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**2. Cash**

The District's cash is categorized to give an indication of the level of risk assumed by the District at December 31, 1999. The categories are described as follows:

- Category 1 – Insured or collateralized with securities held by the District or by 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 the securities held by the counterparty, or its trust department or agent but not in the District's name.

Description	Category			Bank Balance	Book Balance
	1	2	3		
General fund	\$ 10,771	\$ -	\$ -	\$ 11,894	\$ 10,771

**DESOTO PARISH FIRE DISTRICT NUMBER ONE**

Notes to Financial Statements  
December 31, 1999

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**3. Ad Valorem Tax:**

The District levies ad valorem taxes in October of each year on property values assessed by the tax assessor of DeSoto Parish. Taxes are due by December 31 and attach as an enforceable lien on property as of January 1 of each year. For the year ended December 31, 1999, taxes of 15.42 mills were levied on properties with assessed valuations totaling \$11,611,910, and are dedicated for acquisition and maintenance at 5.00 mills and construction and maintenance at 10.42 mills. Total taxes levied for the year were \$179,055.

**4. Leases:**

The District records items under capital leases as assets and long-term debt in the accompanying financial statements. As of December 31, 1999, the District has two capital leases in effect, an eleven year lease, dated February 5, 1997, for a 1998 rescue truck and a 1998 pumper truck and a seven year lease, dated January 16, 1998 for a 1999 tanker truck.

The District has entered into an operating lease for station number four with a municipality of the District. The lease effective date was February 11, 1989, the term is for 99 years, and the annual rental payment of \$1 for the 99 years, or \$99, was due in advance and paid at the beginning of the lease.

**5. Changes in Long-Term Debt:**

The following is a summary of long-term debt transactions for the year ended December 31, 1999:

Long-term debt payable at December 31, 1998	\$ 221,662
Additions	116,739
Retirements	<u>(48,028)</u>
Long-term debt payable at December 31, 1999	<u>\$ 290,373</u>

The District entered into an 11-year capital lease, with the option to purchase, dated February 5, 1997, for a Freightliner rescue truck and a Freightliner pumper truck. The lease calls for annual principal payments of \$9,893 to \$30,734 with interest paid annually at rates from 4.99 percent to 5.99 percent.

The District has also entered into a seven-year capital lease, with the option to purchase, dated January 16, 1998, for a Freightliner tanker truck. The lease calls for annual principal payments of \$13,954 to \$19,672 with interest paid annually at a rate of 5.89 percent.

**DESOTO PARISH FIRE DISTRICT NUMBER ONE**

Notes to Financial Statements  
December 31, 1999

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**5. Changes in Long-Term Debt (Continued):**

The annual requirements to amortize the leases as of December 31, 1999, including interest payments are as follows:

<u>Year Ending</u>	<u>Principal and Interest</u>
2000	\$ 32,575
2001	53,405
2002	53,405
2003	53,405
2004	53,405
2005-2007	<u>118,558</u>
Total	364,753
Less interest	74,380
Total outstanding principal	<u><u>\$ 290,373</u></u>

**6. Commitments and Contingencies:**

The District is exposed to various risks of loss related to torts; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss and settlements have not exceeded insurance coverage in any of the past three fiscal years.

The following independent accountant's report on applying agreed-upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide* issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.





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

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### Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners  
DeSoto Parish Fire District Number One  
Logansport, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the DeSoto Parish Fire District Number One and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about DeSoto Parish Fire District Number One's compliance with certain laws and regulations during the year ended December 31, 1999 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

#### Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

Two expenditures were made during the year for materials and supplies exceeding \$15,000. We reviewed the supporting documentation for the two purchases and noted the following:

- a. The purchase of the Ford F250 is in compliance with the public bid law.
- b. The purchase of the 1993 Freightliner is not in compliance with the public bid law, as this purchase was not advertised as required.

#### Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management (agreed-upon procedure 3) appeared on the list provided by management in agreed-upon procedure 2.

## **Budgeting**

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There was one amendment to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on December 15, 1998, which indicated that the budget had been adopted by the Board of Commissioners of the DeSoto Parish Fire District Number One by a vote of all in favor and none opposed.

The budget was amended sometime during the year and a review of the minutes did not show a board vote or approval of the amended budget.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by five percent or more or if actual expenditures exceed budgeted amounts by five percent or more.

We compared the expenditures of the final budget to actual expenditures and determined that actual expenditures did not exceed five percent of budgeted amounts.

The District's budget for the year ended December 31, 1999 did not include the following as required by LSA-RS 39:1304:

- A budget message
- *Estimates of all receipts and revenues to be received, with revenues itemized by source*
- Estimated fund balance at the end of the fiscal year
- A budget adoption instrument

## **Accounting and Reporting**

8. Randomly select six disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to correct amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All of the six payments were coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the president and secretary of the Board of Commissioners. In addition, each of the disbursements was traced to the District's minutes where they were approved by the full commission.

## **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:4.1 through 42:13 (the opening meetings law).



### **Meetings (Continued)**

Any parish fire district is only required to post a notice of each meeting and the accompanying agenda on the door of the district's office building. Management has provided copies of the notices and agendas for all meetings and has asserted these were posted as required by the statutes.

### **Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loan, bonds, or like indebtedness.

We inspected copies of deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the board for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances indicating payments to employees constituting bonuses, advances, or gifts.

### **Prior Attestation Report Findings**

Our prior year report, dated April 22, 1999 included the following comments and unresolved matters:

The District's budget for the year ended December 31, 1998 did not include estimates of all receipts and revenues to be received, with the revenues itemized by source.

As reported during the District's previous compilations for the years ended December 31, 1998, 1997, and 1996 the District has not maintained general fixed asset records as required by generally accepted accounting principles and LSA-RS 24:515(B)(1).

As reported during the District's previous compilations for the years ended December 31, 1998 and 1997, we noted disbursements to the Internal Revenue Service and the Louisiana Department of Revenue for late filing of payroll reports. Penalties and interest are not proper expenditures of the fire district.

### **General - Current**

12. The District has not provided a listing of general fixed assets for the year ended December 31, 1999 as required by LSA-RS 24:515(B)(1).
13. A disbursement was made during the year to the United States Treasury Department for late filing of payroll taxes. This disbursement included penalties and interest, which are not proper expenditures of a governmental entity.
14. The District did not file timely compiled financial statements within six months of their fiscal year end as required by LSA-RS 24:513(A)(5)(a).
15. The District has not received approval from the State Bond Commission for the two capital leases with purchase options for movable equipment as required by LSA-RS 1410:60(C)(1).
16. During our review of the minutes, we noted one board member did not attend any of the board meetings for the year ended December 31, 1999. This creates a vacancy on the board and the municipality responsible for electing this member should select another member to fill the vacancy per LSA-RS 40:1496(E).

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the DeSoto Parish Fire District Number One and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Certified Public Accountants  
Bossier City, Louisiana

June 23, 2000

# DESOTO FIRE DISTRICT NO. 1

P.O. BOX 1088

LOGANSPOUT, LA. 71049

July 7, 2000

Daniel G. Kyle, CPA  
Legislative Auditor, State of Louisiana  
P.O. Box 94397  
Baton Rouge, LA 70804-9397

Dear Mr. Kyle:

The DeSoto Parish Fire District Number One, DeSoto Parish, Louisiana, respectfully submits the following corrective action plan for the year ended December 31, 1999 for the findings noted on the attestation report.

## Findings Related to Compliance

### 1. Public bid law

**Recommendation:** The District should review the public bid laws before purchasing materials and supplies over \$15,000 and advertise according to the requirements.

**Action Taken:** The District will familiarize itself with the public bid laws and will follow the requirements when contemplating a material or supply purchase over \$15,000.

### 7. Budget Procedures

**Recommendation:** The District should review the budget laws before preparing the yearly budget and comply with the requirements.

**Action Taken:** The District will familiarize itself with the budgetary laws and will include all required items on the yearly budget.

### 12. Fixed Asset Listing

**Recommendation:** The District should make every effort to compile a fixed asset listing conforming to GAAP, GASB 34, and the state statutes.

**Action Taken:** The District will inventory the fixed assets of the District and will provide the listing.

### 13. Late Filing of Payroll Taxes – Fines and Penalties

**Recommendation:** The District should make every effort to file the payroll taxes owed by the deadlines and not incur fines and penalties for late payments.

**Action Taken:** The District will prepare and submit the payroll taxes before the deadlines.

14. Compiled Financial Statements Timely Filed

Recommendation: The District should organize its record keeping to timely convey the required records for the year-end compilation.

Action Taken: The District will make their records available in a timely manner to file their financial statements within six months of their fiscal year end.

15. State Bond Commission Approval of Leases

Recommendation: The District should submit the required paperwork to the State Bond Commission for approval of the two capital leases.

Action Taken: The District will familiarize itself with the state statute concerning local government finances and will submit the required paperwork to the State Bond Commission for approval of the two capital leases.

16. Board of Commissioners Vacancy

Recommendation: The District should contact the municipality responsible for electing the board member and have them select another member to fill the vacancy.

Action Taken: The District has contacted the municipality responsibility for electing the board member and has informed them of the vacancy.

The accompanying *Louisiana Attestation Questionnaire* has been completed by management and is included in this report as required by the *Louisiana Government Audit Guide*.

# DESOTO FIRE DISTRICT NO. 1

P.O. BOX 1088  
LOGANSPOUT, LA. 71049

## Louisiana Attestation Questionnaire

June 22, 2000

Smith Pugh Rabinowitz, L.L.P.  
Certified Public Accountants  
401 Hamilton Road, Suite 112  
Bossier City, LA 71111

*In connection with your compilation of our financial statements as of December 31, 1999 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.*

These representations are based on the information available to us as of June 22, 2000.

### Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and , where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes  No

### Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119

Yes  No

### Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes  No



**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes  No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes  No

**Meetings**

We have complied with the provisions of the Open Meetings Law provided in RS 42:1 through 42:12.

Yes  No

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes  No

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representation. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

John K. Lu Secretary 7-3-00 Date

John K. Lu Treasurer \_\_\_\_\_ Date

John Stille President 7-3-2000 Date