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REPORT

**WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
ENON, LOUISIANA**

**Component Unit Financial Statements
As of and for the Year
Ended December 31, 1999
with Supplemental Information Schedules**

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

Release Date 8-30-00

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Eron, Louisiana

Component Unit Financial Statements
As of and for the Year Ended December 31, 1999
With Supplemental Information Schedule

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TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

DECEMBER 31, 1999

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

Dear Sir:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Washington Parish Fire Protections District # 8 as of and for the fiscal year ended December 31, 1999. The report includes all funds under the control and oversight of the district. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely


Officer

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
Enon, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS

AFFIDAVIT

Personally came and appeared before the undersigned authority, Tim Magee, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Washington Parish Fire Protection District # 8 as of December 31, 1999, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

Signature

Sworn to and subscribed before me, this ____ day of _____, 2000.

NOTARY PUBLIC

Office Tim Magee

Address 17172 Lee Road

Franklinton, LA 70438

Telephone 504-839-9753

Durden and Alonzo

CERTIFIED PUBLIC ACCOUNTANTS

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(504) 839-4413
FAX (504) 839-4402

William R. Durden

Donna W. Alonzo

Board of Commissioners
Washington Parish Fire
Protection District # 8
Enon, Louisiana

We have compiled the accompanying financial statements and supplemental information of the Washington Parish Fire Protection District # 8, a component unit of the Washington Parish Government, as of and for the year 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 management. We have not audited or reviewed the accompanying financial statements and supplemental information, and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated June 2, 2000, on the results of our agreed-upon procedures.

Durden and Alonzo, CPAs
Durden and Alonzo
Certified Public Accountants

Franklinton, Louisiana
May 31, 2000

FINANCIAL STATEMENTS

STATEMENT A

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana
All Fund Types and Account Groups

Balance Sheet
 December 31, 1999

	Governmental Funds		Account Groups			Total
	General Fund	Debt Service Fund	General Fixed Assets	General Long-Term Obligations	Memorandum Only	
ASSETS AND OTHER DEBITS						
ASSETS:						
Cash and cash equivalents	\$ 2,179	\$ 45,087	\$ -	\$ -	\$ -	\$ 47,266
Receivables	85,445	33,032	-	-	-	118,477
Prepaid expenses	1,868	-	-	-	-	1,868
Due from other funds	477	16,908	-	-	-	17,385
Land, buildings & equipment	-	-	395,856	-	-	395,856
OTHER DEBITS:						
Amount available in Debt Service Fund	-	-	-	45,088	-	45,088
Amount to be provided for retirement of long-term obligations	-	-	-	200,615	-	200,615
TOTAL ASSETS AND OTHER DEBITS	\$ 89,969	\$ 95,027	\$ 395,856	\$ 245,703	\$ -	\$ 826,555
LIABILITIES, EQUITY, AND OTHER CREDITS						
LIABILITIES:						
Accounts payable	\$ 6,405	\$ -	\$ -	\$ -	\$ -	\$ 6,405
Due to other funds	16,908	477	-	-	-	17,385
Lease payable	-	-	-	15,703	-	15,703
General obligation bonds	-	-	-	230,000	-	230,000
Total Liabilities	<u>23,313</u>	<u>477</u>	<u>-</u>	<u>245,703</u>	<u>-</u>	<u>269,493</u>
EQUITY AND OTHER CREDITS:						
Investment in general fixed assets	-	-	395,856	-	-	395,856
Fund balance - unreserved	66,656	94,550	-	-	-	161,206
Total Equity and Other Credits	<u>66,656</u>	<u>94,550</u>	<u>395,856</u>	<u>-</u>	<u>-</u>	<u>557,062</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 89,969	\$ 95,027	\$ 395,856	\$ 245,703	\$ -	\$ 826,555

See accountant's report and the accompanying notes to the financial statements.

STATEMENT B

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana

GOVERNMENTAL FUNDS

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

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
REVENUES:			
Ad valorem tax revenue	\$ 83,204	\$ 34,749	\$ 117,953
State revenue sharing	7,360	-	7,360
Other revenue	6,771	12	6,783
Total Revenues	<u>97,335</u>	<u>34,761</u>	<u>132,096</u>
EXPENDITURES:			
Insurance	8,081	-	8,081
Repairs and maintenance	10,490	-	10,490
Utilities	876	-	876
Capital outlay	61,678	-	61,678
Legal and accounting	750	-	750
Supplies	8,977	-	8,977
Debt service:	-	-	-
Principal retirement	-	9,858	9,858
Interest	-	15,203	15,203
Other	7,208	500	7,708
Total expenditures	<u>98,060</u>	<u>25,561</u>	<u>123,621</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(725)</u>	<u>9,200</u>	<u>8,475</u>
OTHER FINANCING SOURCES (USES)			
Transfers (to) from other funds	(6,060)	6,060	-
Total other financing sources (uses)	<u>(6,060)</u>	<u>6,060</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(6,785)</u>	<u>15,260</u>	<u>8,475</u>
FUND BALANCE, JANUARY 1, 1999	<u>73,441</u>	<u>79,290</u>	<u>152,731</u>
FUND BALANCE, DECEMBER 31, 1999	<u>\$ 66,656</u>	<u>\$ 94,550</u>	<u>\$ 161,206</u>

See accountant's report and the accompanying notes to the financial statements.

STATEMENT C

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana

GOVERNMENTAL FUNDS

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:			
Ad valorem taxes	\$ 87,000	\$ 83,204	\$ (3,796)
State revenue sharing	2,500	7,360	4,860
Other revenue	400	6,771	6,371
Total Revenues	<u>89,900</u>	<u>97,335</u>	<u>7,435</u>
EXPENDITURES:			
Insurance	7,500	8,081	(581)
Repairs and maintenance	6,500	10,490	(3,990)
Utilities	2,000	876	1,124
Capital Outlay	65,200	61,678	3,522
Legal and accounting	2,700	750	1,950
Supplies	2,500	8,977	(6,477)
Other	3,500	7,208	(3,708)
Total expenditures	<u>89,900</u>	<u>98,060</u>	<u>(8,160)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(725)</u>	<u>(725)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (to) from other funds	-	(6,060)	(6,060)
Total other financing sources (uses)	<u>-</u>	<u>(6,060)</u>	<u>(6,060)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ -</u>	<u>(6,785)</u>	<u>\$ (6,785)</u>
FUND BALANCE, JANUARY 1, 1999		<u>73,441</u>	
FUND BALANCE, DECEMBER 31, 1999		<u>\$ 66,656</u>	

See accountant's report and the accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1999

INTRODUCTION

The 1991 Louisiana Legislature, pursuant to Louisiana Revised statute 40:1491, created the Washington Parish Fire Protection Districts. Washington Parish Fire Protection District Number Eight was created by an ordinance adopted on December 12, 1994, by the Washington Parish Government. The District shall constitute a public corporation and as such shall have all the powers of public corporations, including perpetual existence and the right and power to incur debt and contract obligations, to sue and be sued, and to have a corporate seal. The district shall also be authorized to do and perform all acts in its corporate capacity and in its name, necessary and proper, for the purposes of acquiring, maintaining and operating buildings, machinery, equipment, water tank, water hydrants, water lines, and such other things as might be necessary or proper for effective fire prevention and control as considered necessary by the parish governing body of the district for the protection of the property within the limits of the district against fire.

The governing body of the parish shall appoint a five member board that shall perform all duties, functions, and powers responsible for the operation and maintenance of the district. All funds of the district shall be administered by the board. The board of commissioner members may be paid a per diem of fifty dollars for attending meetings of the board, and may be reimbursed any expenses incurred in performing the duties imposed upon them.

The District covers 43.7 square miles in a portion of Ward 6 in Washington Parish. There are no incorporated municipalities within the boundaries of the District. It serves approximately 3,475 people and businesses located within the boundaries of the district. The district operates out of two fire stations which are located as follows: Station No. 1 located at the corner of Spencer Road and Cemetery Road and Station No. 2 on Louisiana Highway 16. The district has no employees and operates with a volunteer staff of firefighters.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Washington Parish Fire Protection District # 8 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1999

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Washington Parish Government is the financial reporting entity for Washington 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 Washington Parish Government 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 Washington Parish Government 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 Washington Parish Government.
2. Organizations for which the Washington Parish Government does not appoint a voting majority but are fiscally dependent on the parish government.
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 Washington Parish Government appoints a voting majority of the district's governing board and the parish government has the ability to impose its will on the district, the district was determined to be a component unit of the Washington Parish Government financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUNDING 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 relating to certain government functions or activities.

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1999

A fund is a separate accounting entity with a self-balancing set of accounts. 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.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursements 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:

- a. General Fund – the general operating fund of the District accounts for all financial resources, except those required to be accounted for in other funds.
- b. Debt Service Fund – the debt service fund of the District accounts for the matured portion of and the payment of principal and interest of liabilities of the General Long-term Debt Account Group.

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 generally are 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 in the accounting period they become available and measurable. Donations, fund raising net revenues and state revenue sharing is recorded when received. Ad valorem taxes become a lien against the assessed property on assessment date or levy date, but the actual amount paid to the governmental unit may not be collected until a later period. Generally, the ad valorem tax must be collected within sixty days after the end of the period in which the ad valorem tax revenue was recognized.

Expenditures

Expenditures are recognized in the accounting period when the fund liability is incurred.

E. BUDGETS

The District prepares and has its budget available for public inspection at the November meeting. The budget is adopted, at a public meeting in December. All appropriations lapse at year-end.

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1999

F. ENCUMBRANCES

The District does not use encumbrance accounting.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest bearing demand deposits. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

H. PREPAID ITEMS

The District uses the allocation method of recording prepaid expenses.

I. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed and the related assets are reported in the general fixed assets account group. Approximately, 14.5% of the fixed assets recorded were donated and are recorded at historical cost. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost.

J. COMPENSATED ABSENCES

The District does not have any paid employees; therefore, it does not have a formal leave policy.

K. LONG-TERM OBLIGATIONS

Long-term obligations 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 obligations are recognized in the governmental funds when due.

L. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1999

M. TOTAL COLUMNS ON STATEMENTS

The total columns on the 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. LEVIED TAXES

On April 29, 1995, the District offered two tax propositions to the voters of the district for funding fire protection. A 6 mill tax for the purpose of acquiring, constructing, improving, maintaining and/or operating fire protection facilities and equipment in and for the District, and paying the cost of obtaining water for fire protection purposes for a period of 10 years beginning 1995 and ending with the year 2005 was passed by voters of the district. For the period covered by these financial statements, the millage was 6.0 mills.

Also, a proposition to issue general obligation bonds in the amount of \$250,000. to run 20 years for the purpose of acquiring, constructing and improving buildings, machinery and equipment, including both real and personal property, to be used in giving fire protection to the property in the District, payable from ad valorem taxes to be levied and collected in the manner provided by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974 was passed by the voters of the district. For the period covered by these financial statements, the millage was set at 4.53 mills.

On October 3, 1998, the voters of Washington Parish Fire Protection District #8 approved an additional 6.0 mill property tax for 10 years beginning 1998 and ending with the year 2007. The proceeds from this tax may be used for acquiring, constructing, improving, maintaining and/or operating fire protection facilities and equipment in and for the district and paying the cost of obtaining water for fire protection purposes. For the period covered by these financial statements, the millage was 5.73 mills.

1999 Assessed value of taxable property	\$ 7,501,450
11.73 mill tax (less pension deduction) – Operating & maintenance	\$ <u>85,176</u>
4.53 mill tax (less pension deduction) - Debt service	\$ <u>32,894</u>

3. CASH AND CASH EQUIVALENTS

At December 31, 1999 the District has cash and cash equivalents totaling \$47,266., as follows:

Demand deposits	\$ 47,266.
Total cash and cash equivalents	\$ <u>47,266.</u>

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1999

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are to be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1999, the District had \$49,311. in deposits (collected bank balances). These deposits were secured from risk by \$100,000. of the federal deposit insurance.

4. RECEIVABLES

The following is a summary of amounts receivable at December 31, 1999:

<u>Class of receivable</u>	<u>Ad valorem Taxes</u>
General Fund	\$ 85,445.
Debt Service Fund	<u>33,032.</u>
Total receivable	<u>\$ 118,477.</u>

5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>January 1, 1999</u>	<u>Additions</u>	<u>Deductions</u>	<u>December 31, 1999</u>
Fire trucks	\$ 174,905	\$ 15,450	\$ -	\$ 190,355
Land	5,510	-	-	5,510
Buildings	81,428	23,070	-	104,498
Equipment	72,335	23,158	-	95,493
TOTAL	<u>\$ 334,178</u>	<u>\$ 61,678</u>	<u>\$ -</u>	<u>\$ 395,856</u>

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1999

6. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions during the year:

	Balance January 1, 1999	Additions	Deductions	Balance December 31, 1999
Bonds Payable	\$ 235,000	\$ -	\$ 5,000	\$ 230,000
Lease Payable	20,562	-	4,859	15,703
TOTAL	\$ 255,562	\$ -	\$ 9,859	\$ 245,703

General obligation bonds:

On April 29, 1995, the voters of Washington Parish Fire Protection District # 8 passed a proposition for the issuance of \$250,000. General obligation bonds for the purpose of acquiring, constructing, and improving buildings, machinery, and equipment, including both real and personal property, to be used in providing fire protection to the property of the district, title to which shall be in the public, said bonds to be payable from ad valorem taxes. The interest rate over the 20 years of the offering varies from 11.0% to 5.55% resulting in a net yield of 5.978559% (at par). The District is bound under the terms and provisions of the law and the resolution to impose and collect annually a special ad valorem tax on all the property subject to taxation within the territorial limits of the District, sufficient to pay the principal, interest and redemption premium, on the Bonds falling due each year. A principal and interest payment is due each March 1st and an interest only payment is due September 1st. The issue was purchased by Crew and Associates, Inc. of Little Rock, Arkansas.

Capital Lease Purchase Agreement:

Washington Parish Fire Protection District #8 entered into a Municipal Lease-Purchase Agreement with Consolidated Financial Resources, Inc., a Texas Corporation, to finance the purchase of a 1980 Seagrave 100ft. Aerial Truck. The agreement is dated March 17, 1998 and is for a 60 month period, with the final payment due October 1, 2002. Title to the property shall remain with the lessor, however, the District is responsible for all taxes and licenses, insurance and maintenance for the property during the lease period. The District may purchase the property by giving written notice, to the lessor, not less than 60 days prior to the due date of the final payment (October 1, 2002), provided that all lease payments have been made timely, at which point all rights, title and interest in the property will be deemed to be acquired by the District.

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
 WASHINGTON PARISH GOVERNMENT
 Enon, Louisiana

Notes to the Financial Statements (Continued)
 For the Year Ended December 31, 1999

The lease agreement contains a nonappropriation clause allowing the District to terminate the lease at the end of any fiscal year should funds for the succeeding fiscal period not be available for appropriation for lease payments. Notice must be given to Lessor at least sixty days prior to the first day of such fiscal period for which appropriations cannot be made.

The annual sinking fund requirements to amortize all bonds and/or debt outstanding at December 31, 1999, including interest of \$127,422. are as follows:

Year Ending	Obligation Bonds	Lease Payable
2000	\$ 23,480	\$ 6,060
2001	22,805	6,060
2002	22,145	6,060
2003	21,493	-
2004	20,842	-
2005 - 2015	244,182	-
	\$ 354,947	\$ 18,180

7. LITIGATION AND CLAIMS

As of December 31, 1999, there were no litigations or claims against the District.

8. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period covered by these financial statements.

9. SUBSEQUENT EVENTS

There were no subsequent events after the balance sheet date requiring disclosure.

SUPPLEMENTAL INFORMATION

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 8
WASHINGTON PARISH GOVERNMENT
Enon, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 1999

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Board members were not paid compensation in any form.

See accountant's report

ACCOUNTANT'S REPORT ON AGREED UPON PROCEDURES

Durden and Alongo

CERTIFIED PUBLIC ACCOUNTANTS

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(504) 839-4413
FAX (504) 839-4402

William R. Durden

Donna W. Alongo

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Commissioners
Washington Parish Fire Protection District #8
Enon, LA

Gentlemen:

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Washington Parish Fire Protection District # 8, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the district'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 these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations 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 material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LAS-RS 38:2211-2251 (the public bid law).

The District did not engage in any transactions during the year ended 12/31/99 requiring application of the public bid law.

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 of immediate family members of Board members and their outside business interests. We scanned cash disbursements journals for any related party transactions, however, there were none that came to our attention. The fire district does not employ any compensated firefighters or other personnel at this time, thus there were no payroll records to review.

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

This procedure was not performed due to the lack of compensated employees.

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 procedure (2) as immediate family members.

This procedure was not performed due to the lack of compensated employees.

Budgeting

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

Management provided us with a copy of the original budget, there were no amendments.

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

We traced the adoption of the original budget to the minutes of the governing board meeting held in December 1998.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the original budget (no amended budget was prepared) to actual revenues and expenditures. Actual revenues for the year exceeded budgeted amounts for the year. Actual expenditures were more than 5% in excess of amounts budgeted for the year, requiring the budget to be amended, however, this procedure was not adhered to.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:
 - (a) trace payments to supporting documentation as to proper amount and payee:

We examined supporting documentation for five of the six selected disbursements and found that payment was for the proper amount and made to the correct payee, however, for one of the items selected, documentation of the expenditure was not available.

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

Five of the six payments we examined were coded to the correct general ledger accounts and proper fund, however due to the lack of documentation, it could not be determined if the sixth item was properly accounted for.

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

Inspection of documentation supporting the selected disbursements indicates approval for payment from the Board of Commissioners, as evidenced in the minutes of meetings and on the face of paid invoices, except on the one disbursement for which documentation was not available.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-12 (the open meetings law).

Washington Parish Fire Protection District No. 8 is required to post a notice of each meeting and the accompanying agenda on the door of the district's meeting place. Management has asserted that such documents were properly posted. When we visited the fire house in June, 1999 these documents were properly displayed.

Debt

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

We inspected copies of all bank deposits for the period under examination and did not discover any 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.

We scanned cash disbursement records and minutes for evidence of any payments which may constitute bonuses, advances, or gifts to volunteer firemen, none were noted. The district does not employ any compensated firefighters.

Prior Comments and Recommendations

12. Our procedures will include a review of any prior year suggestions, recommendations, and/or comments and will indicate the extent to which such matters have been resolved.
 - a. Budget - The District prepared and adopted a budget for the year 1998, however, a comparison of final actual expenditures and budget amounts netted differences greater than 5% requiring the budget to be amended, however, it was not. Unresolved, the 1999 budget was timely adopted, however, due to expenditures in excess of 5% of the budget amounts, the budget should have been amended and was not. This continues to be a noncompliance item.

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 Washington Parish Fire Protection District No. 8, the Legislative Auditor, State of Louisiana and the Washington Parish Government 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. However, this report is a matter of public record and its distribution is not limited.

Durden and Alonzo
Certified Public Accountants

June 2, 2000

MANAGEMENT'S REPRESENTATIONS

WASHINGTON PARISH FIRE PROTECTION DISTRICT #8
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended December 31, 1999

SECTION I - INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

- 1999-1 Finding: The District did not amend its budget in compliance with the Local Budget Act.
Recommendation: Budget amounts should be considered as spending is incurred and actual amounts should be compared to the budget periodically throughout the year.
Management's response: We will prepare a budget /actual comparison of our revenues and expenditures at least once during the year and amend our budget if applicable.
- 1999-2 Finding: Accounting and Reporting – One of the six disbursements chosen for examination was not supported with proper documentation.
Recommendation: Supporting documentation should be obtained, properly defaced and maintained in the accounting records of the District.
Management's response: We will make every effort to obtain and maintain proper documentation of disbursements of the District's money.

Tim Magee, President
Washington Parish Fire Protection District #8

June 6, 1999

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

FROM: Washington Parish Fire
Protection District No. 8
Enon, Louisiana

TO: DURDEN AND ALONZO, CPAS

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 _____
(date of completion/representations).

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, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, 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 representations. 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.

<u>Michael Shay</u>	Secretary	<u>1-3-00</u>	Date
<u>Michael Shay</u>	Treasurer	<u>1-3-00</u>	Date
<u>Tim Magee</u>	President	<u>1-3-00</u>	Date