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DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

**GENERAL PURPOSE FINANCIAL STATEMENTS
WITH ACCOUNTANT'S COMPILATION REPORT
AND AGREED-UPON PROCEDURES REPORT
As of and For the Year Ended
December 3, 1999**

Under provisions of state law, this report is for
informational purposes only. 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 8-9-00

Deborah D. Dees, MBA, CPA
122 Jefferson Street
Mansfield, Louisiana 71052
318-872-3007

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2
KEATCHIE/SHILOH/GLOSTER, LOUISIANA

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

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Deborah D. Dees, MBA, CPA



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CERTIFIED PUBLIC ACCOUNTANT

Accountant's Compilation Report

Board of Directors
DeSoto Parish Fire Protection District No. 2
Keatchie/Shiloh/Gloster, Louisiana

I have compiled the accompanying general purpose financial statements of DeSoto Parish Fire Protection District No. 2 as of and for the year ended December 31, 1999, as required by Louisiana Revised Statute 24:513. The general purpose financial statements will be compiled 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. I have not audited or reviewed the accompanying financial statements, and accordingly do not express an opinion or any form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated June 19, 2000, on the results of our agreed-upon procedures.

Deborah D. Dees, CPA

Certified Public Accountant
Mansfield, Louisiana

June 19, 2000

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet

December 31, 1999

	GOVERNMENTAL FUNDS		FIDUCIARY FUND		ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	DEBT SERVICE FUND	AGENCY FUND		GENERAL FIXED ASSETS	GENERAL LONG TERM OBLIGATIONS	
ASSETS AND OTHER DEBITS							
Cash	\$ 9,823	\$ 21,244	\$ 3,289		\$		\$ 34,356
Accounts Receivable, net allowance	10,699	31,445					42,144
Due from other Funds	2,779						2,779
Fixed Assets					154,594		154,594
Amount to be provided for retirement of certificates of indebtedness						31,000	31,000
TOTAL ASSETS	<u>\$ 23,301</u>	<u>\$ 52,689</u>	<u>\$ 3,289</u>		<u>\$ 154,594</u>	<u>\$ 31,000</u>	<u>\$ 264,873</u>
LIABILITIES & FUND EQUITY AND OTHER CREDITS							
Liabilities:							
Due to Other Funds	\$	2,779	\$ 3,289		\$		\$ 6,068
Certificates of Indebtedness payable						31,000	31,000
TOTAL LIABILITIES		<u>2,779</u>	<u>3,289</u>			<u>31,000</u>	<u>37,068</u>
Fund Equity and Other Credits:							
Investment in Fixed Assets					154,594		154,594
Fund Balance - Unreserved	23,301	33,617					56,918
Fund Balance - Reserved for debt service		16,293					16,293
TOTAL EQUITY AND OTHER CREDITS	<u>23,301</u>	<u>49,910</u>			<u>154,594</u>		<u>227,805</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 23,301</u>	<u>\$ 52,689</u>	<u>\$ 3,289</u>		<u>\$ 154,594</u>	<u>\$ 31,000</u>	<u>\$ 264,873</u>

See accompanying notes and accountant's compilation report.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

GOVERNMENTAL FUNDS

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

	GENERAL FUND	DEBT SERVICE FUND	TOTAL (MEMORANDUM ONLY)
REVENUES:			
Ad Valorem taxes	\$	\$ 36,675	\$ 36,675
Parcel fees	22,784		22,784
Revenue Sharing	2,779		2,779
Insurance rebate	3,780		3,780
Interest		548	548
Miscellaneous Income	75		75
TOTAL REVENUES	<u>29,418</u>	<u>37,223</u>	<u>66,641</u>
EXPENDITURES			
Current:			
Operations	10,770		10,770
Insurance	8,698		8,698
Administration	6,202		6,202
Capital Outlays	11,839		11,839
Debt Service:			
Principal payments		14,000	14,000
Interest		2,090	2,090
TOTAL EXPENDITURES	<u>37,509</u>	<u>16,090</u>	<u>53,599</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	(8,091)	21,133	13,042
OTHER FINANCING SOURCES			
Operating Transfers in(out)	5,873	(5,873)	0
TOTAL OTHER FINANCING SOURCES	<u>5,873</u>	<u>(5,873)</u>	<u>0</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(2,218)	15,260	13,042
FUND BALANCE, BEGINNING OF YEAR	25,519	34,650	60,169
FUND BALANCE, END OF YEAR	<u>\$ 23,301</u>	<u>\$ 49,910</u>	<u>\$ 73,211</u>

See accompanying notes and accountant's compilation report.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2
Keatchie/Shiloh/Gloster, Louisiana
GOVERNMENTAL FUND TYPES

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

	GENERAL FUND			DEBT SERVICE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES						
Ad Valorem taxes	\$	\$	\$ 0	\$ 33,200	\$ 36,675	\$ 3,475
Parcel fees	18,400	22,784	4,384			0
Revenue Sharing	3,800	3,780	20			0
Insurance rebate	3,500	2,779	721			0
Interest				200	548	348
Miscellaneous Income		75	(75)			0
TOTAL REVENUES	<u>25,700</u>	<u>29,418</u>	<u>5,050</u>	<u>33,400</u>	<u>37,223</u>	<u>3,823</u>
EXPENDITURES						
Current:						
Operations	18,600	10,770	7,830			
Insurance	7,500	8,698	(1,198)			
Administration	9,600	6,202	3,398			
Capital Outlays	4,000	11,839	(7,839)			
Debt Service:						
Principal payments				14,000	14,000	0
Interest				2,100	2,090	10
TOTAL EXPENDITURES	<u>39,700</u>	<u>37,509</u>	<u>2,191</u>	<u>16,100</u>	<u>16,090</u>	<u>10</u>
EXCESS\DEFICIT) OF REVENUES OVER EXPENDITURES	(14,000)	(8,091)	7,241	17,300	21,133	3,833
OTHER FINANCING SOURCES						
Operating Transfers in (out)		5,873	5,873		(5,873)	(5,873)
TOTAL OTHER FINANCING SOURCES	<u>0</u>	<u>5,873</u>	<u>5,873</u>	<u></u>	<u>(5,873)</u>	<u>(5,873)</u>
EXCESS\DEFICIT) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(14,000)	(2,218)	13,114	17,300	15,260	(2,040)
FUND BALANCE, BEGINNING OF YEAR	<u>25,519</u>	<u>25,519</u>		<u>28,399</u>	<u>34,650</u>	
FUND BALANCE, END OF YEAR	<u>\$ 11,519</u>	<u>\$ 23,301</u>	<u>\$ 13,114</u>	<u>\$ 45,699</u>	<u>\$ 49,910</u>	<u>\$ (2,040)</u>

See accompanying notes and accountant's compilation report.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1999

INTRODUCTION

DeSoto Fire Protection District No. 2 was created by the DeSoto Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492 on February 10, 1993. The district is governed by a five-member board appointed in accordance to LRS 40:1496 as follows: two members by the police jury, two members by the Town of Keatchie, and one by the other four members. Board members serve without compensation. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the DeSoto Parish Fire Protection District No. 2 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

As the governing authority of the parish, for reporting purposes, the DeSoto Parish Police Jury is the financial reporting entity for DeSoto Parish. The financial reporting entity consists of (a) the primary government (policy jury), (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 statement 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 DeSoto Parish Police Jury 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 police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organization for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury created the district and has the ability to impose its will on the district, the district was determined to be a component unity of the DeSoto Parish Police Jury, 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 policy jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1999

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 relating 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 and fiduciary. 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 operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

Debt Service Fund--accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.

Fiduciary funds are used to account for assets held on behalf of outside parties, or on behalf of other funds within the district. The fiduciary fund of the district includes:

Agency Fund--accounts for assets that the district holds on behalf of the Fireman's Fund as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

The major sources of revenue (ad valorem taxes and parcel fees) are recognized when susceptible to accrual, i.e., when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures

Expenditures are generally recorded when the related fund liability is incurred, if measurable.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1999

E. BUDGET

The district is required by state law to adopt an annual budget. The budget is presented on the cash basis. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

A proposed budget is submitted to the governing board and made available for public inspection at the Keatchie Town Hall no later than 15 days prior to December 31, of each year. In open meeting prior to December 31, the budget is adopted and becomes part of the official minutes of the District. Once a budget is approved, it can be amended by approval of a majority of the Board. Amendments are presented at a regular open meeting for Board approval. The debt service fund's budget is adopted as part of the general fund.

F. CASH

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.

At December 31, 1999, the district has cash in demand and interest-bearing demand deposits totaling \$34,356 (book balance.) These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 1999, the district has \$34,936 (bank balance) in deposits. These deposits are fully secured from risk by \$100,000 of federal deposit insurance.

G. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost. Assets acquired from the predecessor volunteer fire department are recorded in the amount of the outstanding department debt which the district paid in order to transfer the assets. No depreciation has been provided on general fixed assets.

H. LONG-TERM OBLIGATIONS

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

I. FUND EQUITY

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

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1999

J. 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 this column does not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. RECEIVABLES

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

	GENERAL FUND	DEBT SERVICE FUND	TOTAL
Ad valorem taxes	\$	\$ 31,445	\$ 31,445
Parcel fees	21,499		21,499
Less allowance for doubtful accounts	(10,800)		(10,800)
Total	<u>\$ 10,699</u>	<u>\$ 31,445</u>	<u>\$ 42,144</u>

The District records an allowance for doubtful parcel fee receivables. The allowance is based on management estimate.

3. LEVIED TAXES

The District levies taxes on real and business personal property located within the boundaries of the District. Property taxes are levied by the District on property values assessed by the DeSoto Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

Property Tax Calendar:

Assessment date	January 1, 1999
Levy date	June 30, 1999
Tax bills mailed	October 15, 1999
Total taxes are due	December 31, 1999
Penalties & interest added	January 31, 2000
Tax sale	May 15, 2000

The District has authorized and levied a 7 millage ad valorem tax. Ad valorem taxes are recorded in the year the taxes are assessed. The taxes are normally collected in December of the current year and January and February of the ensuing year. Total assessed value in the District was \$7,610,560 in 1999. Louisiana state law exempts the first \$7,500 of assessed value of taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$2,371,446 in 1999. Total ad valorem tax revenues recognized in 1999 by the District was \$36,675.

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1999

3. LEVIED TAXES (continued)

The following are the principal taxpayers for the district:

Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation
El Paso Production Co..	\$ 1,155,750	15.2%
Southwestern Electric	594,102	7.8%
South Central Bell	624,400	8.2%
Koch Gateway Pipeline	297,850	3.9%
Central La. Electric Co	222,540	2.9%
IP N-S Assets, L.P.	160,192	2.1%
Faulconer, Vernon E.	142,120	1.9%
Panola Harrison Elect Co.	139,940	1.8%
Hibernia National Bank	117,650	1.5%
Texas Eastern Transmission	106,338	1.4%
Total	\$ 3,560,882	46.8%

In addition, there is an annual \$35 parcel fee on each lot with improvements. There are approximately 660 parcels in the District.

5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance, January 1, 1998	Additions	Deduction s	Balance, December 31, 1998
Fire equipment	\$ 113,447	\$	\$	\$ 113,447
Land	6,000			6,000
Buildings	23,308	11,839		35,147
Total	\$ 142,755	\$ 11,839	\$ 0	\$ 154,594

DESOTO PARISH FIRE PROTECTION DISTRICT NO. 2

Keatchie/Shiloh/Gloster, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 1999

6. CHANGES IN LONG-TERM DEBT

Certificates of Indebtedness, Series 1996, were issued December 30, 1996, in the amount of \$73,000 for acquiring and improving fire protection facilities and equipment. The bonds are secured by a special seven mill ad valorem tax. The annual installments range from \$14,000-\$16,000 per year plus semiannual interest payments at 5.5 percent.

The annual requirements to amortize the certificates outstanding at December 31, 1999, including interest of \$1,733 are as follows:

Year ending	
2000	16,292
2001	16,440
Total	<u>\$ 32,732</u>

7. LITIGATION AND CLAIMS

The fire district is not involved in any litigation at December 31, 1999, nor is it aware of any unasserted claims.

Independent Accountant's Report on Applying Agreed-Upon Procedures

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.

Independent Accountant's Report On Applying Agreed-Upon Procedures

Board of Directors
DeSoto Parish Fire Protection District No. 2
Keatchie, LA

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed upon by the management of DeSoto Parish Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about DeSoto Parish Fire Protection District No. 2'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 of the report. Consequently, I 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 \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

A review was made of the disbursement journal for the year. I found no expenditures within these ranges.

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.

The Board provided me with the required list including the noted information.

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

The Board provided me with the required list.

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

A review of the disbursement journal did not indicate any employees. The clerk is paid as an independent contractor. The clerk did not appear on any listing provided by the Board in agreed-upon procedure 2 above.

Budgeting

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

Management provided me with a copy of the original budget for the general fund. There were no amendments to the budget during the year.

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

I traced the adoption of the original general fund budget to the minutes of the meeting held on December 1, 1998, which indicated that the budget had been adopted by the Board of Directors of the DeSoto Parish Fire Protection District #2 by a vote of 4 in favor and 0 opposed. No amendments were made to the budget during the year.

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 5% or more.

LSR 39:1309-1310 requires that the fire district adopt a budget amendment when revenues and other sources to date plus projected amounts for the remainder of the year are failing to meet budgeted amounts by five percent or more and/or when expenditures and other used to date plus projected amounts for the remainder of the year are exceeding budgeted amounts by five percent or more. I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%, except that revenue sharing income was 27% below the amount budgeted for the year.

Board comment: One of the revenue sharing payments anticipated was not received. There was an oversight in amending the budget. The Board will try to be more diligent in the future.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
 - a. trace payments to supporting documentation as to correct amount and payee;

I 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;

The payments were found to be coded to the correct fund and general ledger accounts.

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

Inspection of documentation supporting each of the selected disbursements indicated approvals from a board member for all of the disbursements.

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)

DeSoto Parish Fire Protection District No. 2 is required to post a notice of each meeting and the accompanying agenda on the door of the district's meeting place. I found copies of the agenda notices with a notation stating the date posted in the files.

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.

I inspected copies of all bank 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 district for the year indicated no approval for the payments noted. The clerk (as noted in procedure 4) is an independent contractor, and no instances were noted which would indicate payments that would constitute a bonus, advance, or gift.

Prior Comments and Recommendations

My prior year report, dated June 24, 1999, did not include any comments or unresolved matters.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

DeSoto Parish Fire Protection District No. 2
Page 4
June 19, 2000

This report is intended solely for the use of management of DeSoto Fire Protection District No. 2 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.

Deborah A. Dees, CPA

Mansfield, Louisiana
June 19, 2000

Louisiana Attestation Questionnaire

The accompanying Louisiana Attestation Questionnaire has been completed by management and is included in this report as required.

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

6-4-2000 (Date Transmitted)

Deborah D. Dees, CPA
122 Jefferson Street
Monroe, LA 70001

(Auditors)

In connection with your compilation of our financial statements as of [date] 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.

Don F. Brown Secretary 6-5-00 Date
Don F. Brown Treasurer 6-5-00 Date
Richard E. Fields President 6-5-00 Date