

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

FINANCIAL REPORT
(Compiled)

December 31, 2003

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

Release Date 3 31 04

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HILL, INZINA & COMPANY

ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Eighth Ward Fire Protection District No. 1
of Morehouse Parish, Louisiana
Collinston, Louisiana

We have compiled the accompanying basic financial statements and supplementary information of Eighth Ward Fire Protection District No. 1 of Morehouse Parish, Louisiana, (the "District") (a component unit of Morehouse Parish), as of and for the year ended December 31, 2003, 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 of the District. We have not audited or reviewed the accompanying basic financial statements or the supplementary information and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America and management's discussion and analysis required by Statement No. 34 issued by the Governmental Accounting Standards Board. If the omitted disclosures and management's discussions and analysis were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, net assets, revenues, and expenses/expenditures. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Eighth Ward Fire Protection District No. 1 of Morehouse Parish, Louisiana.

Hill, Inzina & Co.

February 4, 2004

BASIC FINANCIAL STATEMENTS

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES - GENERAL
December 31, 2003

ASSETS

Cash	\$	30,511
Ad valorem taxes receivable		22,277
Capital assets, net of depreciation		<u>70,066</u>
Total assets	\$	<u>122,854</u>

LIABILITIES

Deferred revenue	\$	<u>23,719</u>
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NET ASSETS

Invested in capital assets	\$	70,066
Designated for subsequent year's expenditures		22,277
Unrestricted and undesignated		<u>6,792</u>
Total net assets	\$	<u>99,135</u>
Total liabilities and net assets	\$	<u>122,854</u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES - GENERAL
For the Year Ended December 31, 2003

Expenses:	
Public safety:	
Depreciation	\$ 5,010
Insurance and surety bond premiums	3,108
Legal and accounting	1,740
Maintenance and repairs	4,678
Office supplies	169
Pension cost	755
Salaries	650
Supplies	1,377
Taxes - payroll	66
Telephone	2,546
Utilities	1,523
Total expenses	<u>\$ 21,622</u>
General revenues:	
Ad valorem taxes	\$ 23,237
Fire insurance rebate	2,828
Interest and miscellaneous	4,070
Total general revenues	<u>\$ 30,135</u>
Change in net assets	\$ 8,513
Net assets - beginning	<u>90,622</u>
Net assets - ending	<u>\$ 99,135</u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUND - GENERAL
December 31, 2003

ASSETS

Cash	\$	30,511
Ad valorem taxes receivable		<u>22,277</u>
Total assets	\$	<u>52,788</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Deferred revenue	\$	<u>23,719</u>
Fund balance:		
Designated for subsequent year's expenditures	\$	22,277
Unrestricted and undesignated		<u>6,792</u>
Total fund balance	\$	<u>29,069</u>
Total liabilities and fund balance	\$	<u>52,788</u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND - GENERAL
For the Year Ended December 31, 2003

Revenues:		\$ 23,237
Ad valorem taxes		2,828
Fire insurance rebate		4,070
Interest and miscellaneous		<u>30,135</u>
Total revenues		<u>\$ 30,135</u>
Expenditures:		
Public safety:		
Insurance and surety bond premiums	\$ 3,108	
Legal and accounting	1,740	
Maintenance and repairs	4,678	
Office supplies	169	
Pension cost	755	
Salaries	650	
Supplies	1,377	
Taxes - payroll	66	
Telephone	2,546	
Utilities	1,523	
Capital outlay	7,224	
Total expenditures		<u>\$ 23,836</u>
Net change in fund balance	\$ 6,299	
Fund balance - beginning		<u>22,770</u>
Fund balance - ending		<u><u>\$ 29,069</u></u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS

December 31, 2003

Total fund balance - governmental fund balance sheet	\$ 29,069
Amounts reported for governmental activities in statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	<u>70,066</u>
Total net assets - government-wide statement of net assets	<u>\$ 99,135</u>

See accountant's compilation report.

EIGHTH WARE FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
December 31, 2003

Net change in fund balance - governmental fund \$ 6,299

Amounts reported for governmental activities in statement of
activities are different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense. This is the amount
by which capital outlays exceeded depreciation in the current period.

2,214

Change in net assets - government-wide statement of activities

\$ 8,513

See accountant's compilation report.

SUPPLEMENTARY INFORMATION

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

BUDGETARY COMPARISON SCHEDULE - GOVERNMENTAL FUND - GENERAL
For the Year Ended December 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget - Favorable (Unfavorable)
Budgetary fund balance - beginning	\$ 22,770	\$ 22,770	\$ 22,770	\$ -
Resources (inflows):				
Ad valorem taxes	22,537	25,625	23,237	(2,388)
Fire insurance rebate	2,635	-	2,828	2,828
Interest and miscellaneous	13	4,069	4,070	1
Amounts available for appropriation	<u>\$ 47,955</u>	<u>\$ 52,464</u>	<u>\$ 52,905</u>	<u>\$ 441</u>
Charges to appropriations (outflows):				
Public safety:				
Insurance and surety bond premiums	\$ 2,054	\$ 3,108	\$ 3,108	\$ -
Legal and accounting	1,545	1,740	1,740	-
Maintenance and repairs	2,121	4,439	4,678	(239)
Office supplies	764	36	169	(134)
Pension cost	-	-	755	(755)
Salaries	1,200	600	650	(50)
Supplies	-	1,092	1,377	(285)
Taxes - payroll	198	116	66	50
Telephone	2,412	2,760	2,546	214
Utilities	1,053	1,605	1,523	82
Capital outlay	13,838	10,861	7,224	3,638
Total charges to appropriations	<u>\$ 25,185</u>	<u>\$ 26,357</u>	<u>\$ 23,836</u>	<u>\$ 2,521</u>
Budgetary fund balance - ending	<u>\$ 22,770</u>	<u>\$ 26,107</u>	<u>\$ 29,069</u>	<u>\$ 2,962</u>

See accountant's compilation report.

EIGHTH WARD FIRE PROTECTION DISTRICT NO.1
OF MOREHOUSE PARISH, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS WITH
MANAGEMENTS'S PLANNED CORRECTIVE ACTION
For the Year Ended December 31, 2003

We have compiled the basic financial statements and supplementary information of Eighth Ward Fire Protection District No. 1 of Morehouse Parish, Louisiana, as of and for the year ended December 31, 2003, and have issued our report thereon dated February 4, 2004. We conducted our compilation in accordance with *Statements on Standards for Accounting and Review Services*, issued by the American Institute of Certified Public Accountants.

Section I - Compilation

2003-1 Related Party Transactions (initial citing as of and for the year ended December 31, 2002)

Finding: During the year ended Dccember 31, 2003, a \$400 payment for building maintenance was made to a commissioner of the District.

During the year ended December 31, 2003, the appointed and compensated secretary/treasurer for the District, who was also a related party to one of the commissioners, resigned the appointed position immediately upon Louisiana Board of Ethic's issuing an advisory opinion, at the request of the District, prohibiting such service.

Management's
response and
planned cor-
rective action:

The District is in violation of the related state statutes and constitution. Management will no longer conduct business transactions with the District's commissioners or the commissioner's immediate family members.

Section II - Management Letter

None issued.

EIGHTH WARD FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended December 31, 2003

Section I - Compilation

2002-1 Related Party Transactions

Payments for grounds maintenance
were made to a commissioner of the
District and to the same commissioner's
father.

Unresolved - 2003-1.

Section II - Management Letter

None issued.