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ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1
Kinder, Louisiana

ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS
For the Period Ended March 31, 1996

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

Release Date 8-28-96

GRAGSON, CASIDAY & GUILLORY, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

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GRAGSON, CASIDAY & GUILLORY, L.L.P.

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INDEPENDENT AUDITORS' REPORT

May 10, 1996

Board of Commissioners
Allen Parish Ambulance Service
District No. 1
Kinder, Louisiana

We have audited the accompanying general purpose financial statements of the Allen Parish Ambulance Service District No. 1, a component unit of the Allen Parish Policy Jury, as of and for the period ended March 31, 1996. These general purpose financial statements are the responsibility of the Allen Parish Ambulance Service District No. 1 management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Allen Parish Ambulance Service District No. 1 as of March 31, 1996, and the results of its operations for the period then ended in conformity with generally accepted accounting principles.

Gragson, Casiday & Guillory

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Combined Balance Sheet - All Fund Types and Account Groups

March 31, 1996

	<u>Governmental</u> <u>Fund Type</u>	<u>Account</u> <u>Group</u>	<u>Totals</u> <u>(Memorandum</u> <u>only)</u>
	General <u>Fund</u>	General Fixed <u>Assets</u>	
ASSETS			
Cash	\$ 198,375	\$ -	\$ 198,375
Investment, at cost	9,979	-	9,979
Accounts receivable (net)	84,262	-	84,262
Ad valorem tax receivable (net)	69,676	-	69,676
Prepaid insurance	3,791	-	3,791
Fixed assets	<u>-</u>	<u>169,752</u>	<u>169,752</u>
TOTAL ASSETS	\$ <u>366,083</u>	\$ <u>169,752</u>	\$ <u>535,835</u>
 LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	\$ 4,371	\$ -	\$ 4,371
Accrued liabilities	<u>9,848</u>	<u>-</u>	<u>9,848</u>
TOTAL LIABILITIES	<u>14,219</u>	<u>-</u>	<u>14,219</u>
 Fund Equity			
Investment in general fixed assets	-	169,752	169,752
Fund balance Unreserved	<u>351,864</u>	<u>-</u>	<u>351,864</u>
TOTAL FUND EQUITY	<u>351,864</u>	<u>169,752</u>	<u>521,616</u>
 TOTAL LIABILITIES AND FUND EQUITY	\$ <u>366,083</u>	\$ <u>169,752</u>	\$ <u>535,835</u>

The accompanying notes are an integral part of these financial statements.

GRAGSON, CASIDAY & GULLORY, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Fund Type

Period Ended March 31, 1996

REVENUES	
Ad valorem taxes (net)	\$ 62,400
Service charges (net)	63,468
Interest	<u>1,355</u>
TOTAL REVENUES	<u>127,223</u>
EXPENDITURES	
General government	520
Advertising	3,467
Fuel and oil	9,701
Insurance	450
Medical director	6,350
Medical supplies	1,194
Miscellaneous	1,545
Office supplies	625
Per diem	46
Postage	600
Rent	2,088
Repairs	909
Retirement	71,425
Salaries	4,708
Taxes	3,035
Telephone	438
Training	673
Uniforms	775
Utilities	<u>7,378</u>
Capital outlay	<u>115,927</u>
TOTAL EXPENDITURES	
EXCESS OF REVENUES OVER EXPENDITURES	11,296
FUND BALANCE - BEGINNING	<u>340,568</u>
FUND BALANCE - ENDING	\$ <u>351,864</u>

The accompanying notes are an integral part of these financial statements.

GRAGSON, CASIDAY & GULLORY, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual - General Fund

Period Ended March 31, 1996

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Ad valorem taxes (net)	\$ 61,250	\$ 62,400	\$ 1,150
Service charges (net)	44,250	63,468	19,218
Interest	-	<u>1,355</u>	<u>1,355</u>
TOTAL REVENUES	<u>105,500</u>	<u>127,223</u>	<u>21,723</u>
EXPENDITURES			
General government			
Advertising	-	520	(520)
Fuel and oil	3,750	3,467	283
Insurance	15,375	9,701	5,674
Medical director	600	450	150
Medical supplies	5,000	6,350	(1,350)
Miscellaneous	625	1,194	(569)
Office supplies	750	1,545	(795)
Per diem	750	625	125
Postage	250	46	204
Professional fees	250	-	250
Rent	600	600	-
Repairs	3,075	2,088	987
Retirement	-	909	(909)
Salaries	67,500	71,425	(3,925)
Taxes	-	4,708	(4,708)
Telephone	2,650	3,035	(385)
Training	375	438	(63)
Uniforms	450	673	(223)
Utilities	750	775	(25)
Capital outlay	<u>11,500</u>	<u>7,378</u>	<u>4,122</u>
TOTAL EXPENDITURES	<u>114,250</u>	<u>115,927</u>	<u>(1,677)</u>
EXCESS OF REVENUES OVER EXPENDITURES	(8,750)	11,296	20,046
FUND BALANCE - BEGINNING	<u>340,568</u>	<u>340,568</u>	<u>-</u>
FUND BALANCE - ENDING	\$ <u>331,818</u>	\$ <u>351,864</u>	\$ <u>20,046</u>

The accompanying notes are an integral part of these financial statements.

GRAGSON, CASIDAY & GULLORY, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Notes to Financial Statements

March 31, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Allen Parish Ambulance Service District No. 1 consists of five commissioners appointed by the Allen Parish Police Jury. The District is authorized to own and operate ambulances for the transportation of persons suffering from illnesses or disabilities which necessitate ambulance care.

The financial statements of the Allen Parish Ambulance Service District No. 1 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. The more significant of the government's accounting policies are described below.

1. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement NO. 14,, the Allen Parish Ambulance Service District No. 1 includes all funds, account groups, et cetera, that are within the oversight responsibility of the Allen Parish Ambulance Service District No. 1.

As the governing authority, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity. 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 Allen 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 Allen Parish Police Jury to impose its will on that organization and/or

Continued

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Notes to Financial Statements - Continued

March 31, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Allen Parish Police Jury.
- (2) Organizations for which the Allen Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Allen Parish Police Jury.
- (3) Organizations for which the reporting entity financial statements could be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the application of these criteria, Allen Parish Ambulance Service District No. 1 is a component unit of the Allen Parish Police Jury's reporting entity.

2. Fund Accounting

The Allen Parish Ambulance Service District No. 1 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 financial resources.

The following funds and group of accounts are used by the District:

Governmental Fund:

The Governmental Fund accounts for all of the District's general activities. The Governmental Fund includes:

1. General Fund - The General operating fund of the District. All financial resources are accounted for in the General Fund.

Continued

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Notes to Financial Statements - Continued

March 31, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

4. Cash and Investments - Continued

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 held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At March 31, 1996, the District had \$199,375 in deposits (collected bank balances). These deposits were secured from risk by \$101,128 of federal deposit insurance and \$98,247 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Investments:

Under state law, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost which approximates market.

The District has an investment in a FNMA.

The District's investment is categorized to give an indication of the level of risk assumed by the District at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the District's name.

	<u>Category</u>			<u>Carrying Amount</u>	<u>Market Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
FNMA	\$ <u>9,979</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>9,979</u>	\$ <u>9,144</u>

Continued

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Notes to Financial Statements - Continued

March 31, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

5. Accounts Receivable

Uncollectible amounts due for service charges are recognized as bad debts using the allowance method. The allowance for bad debt at March 31, 1996 was \$112,152.

6. Budgets

A budget is adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

On or before the last meeting of each year, the budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the District's Board of Commissioners for review. The board may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

7. Total Columns

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 operations in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation.

NOTE B - AD VALOREM TAXES

For the period ended March 31, 1996, ad valorem taxes of \$62,400 were accrued based on expected December 31, 1996 millage and assessed valuations which are expected to be consistent with the year ended December 31, 1995 taxes of 10.0 mills levied on property with assessed valuations totaling \$25,780,280.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31. Property taxes not paid by the end of February are subject to lien.

Continued

GRAGSON, CASIDAY & GULLORY, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Notes to Financial Statements - Continued

March 31, 1996

NOTE C - FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Beginning Balance</u>	<u>Net Additions</u>	<u>Ending Balance</u>
Ambulances	\$ 139,538	\$ -	\$ 139,538
Equipment	<u>22,836</u>	<u>7,378</u>	<u>30,214</u>
Total	\$ <u>162,374</u>	\$ <u>7,378</u>	\$ <u>169,752</u>

NOTE D - RETIREMENT COMMITMENTS

Substantially all employees of the District are eligible to participate in the Parochial Employees' Retirement System of LA, a multiple - employer public employee retirement system. The payroll for employees covered by this system for the period ended March 31, 1996 was \$11,018, the District's total payroll was \$71,425.

Membership is mandatory as a condition of employment beginning on date employed if the employee is working on a permanent regularly scheduled basis of at least 28 hours per week, not participating or eligible for membership in another public funded retirement system and under age 60 at date of employment. Members are eligible for retirement benefits when they meet one of the following: (1) Any age with thirty or more years of creditable service; (2) Age 55 with twenty-five years of creditable service; (3) Age 60 with a minimum of ten years of creditable service; (4) Disability requires five years of creditable service; or (5) survivors benefits require five years creditable service at death of member. The retirement allowance for any member shall consist of an amount equal to three percent of the member's final average compensation multiplied by his years of creditable service.

Covered employees are required to contribute 9.50% of the total monthly earnings, excluding bonuses or fees in excess of regular salary or retainer, overtime pay or payments relative to termination of employment. The District is required to contribute 8.25% of each and every member's earnings. The contribution requirement for the period ended March 31, 1996 was \$1,956, which consisted of \$909 from the District and \$1,047 from employees.

Continued

ALLEN PARISH AMBULANCE SERVICE DISTRICT NO. 1

Notes to Financial Statements - Continued

March 31, 1996

NOTE E - PER DIEM

Per Diem paid board commissioners for the period ended March 31, 1996 are as follows:

Willie Brown	\$ 100
Susan Doumite	50
Raoul Frank, Jr.	75
Mike Fuselier	25
John Richet	75
Fred Sonnier	<u>300</u>
	\$ <u>625</u>

NOTE F - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

May 10, 1996

Board of Commissioners
Allen Parish Ambulance Service
District No. 1
Kinder, Louisiana

We have audited the general purpose financial statements of the Allen Parish Ambulance Service District No. 1, a component unit of the Allen Parish Police Jury, as of and for the period ended March 31, 1996, and have issued our report thereon dated May 10, 1996.

We have conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements.

The management of the Allen Parish Ambulance Service District No. 1 is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of Allen Parish Ambulance Service District No. 1, for the period ended March 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the component unit financial statements.

The reportable condition is that the District does not have adequate segregation of duties within its internal control structure. However, because of the District's size and resources, proper segregation of duties is not feasible.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is not a material weakness.

This report is intended for the information of the management and the Board of Commissioners. However, this report is a matter of public record and its distribution is not limited.



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS,
REGULATIONS, CONTRACTS AND GRANTS BASED ON AN AUDIT OF
GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

May 10, 1996

Board of Commissioners
Allen Parish Ambulance Service
District No. 1
Kinder, Louisiana

We have audited the general purpose financial statements of the Allen Parish Ambulance Service District No. 1, a component unit of the Allen Parish Police Jury, as of and for the period ended March 31, 1996, and have issued our report thereon dated May 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the Allen Parish Ambulance Service District No. 1 is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the management and the Board of Commissioners. However, this report is a matter of public record and its distribution is not limited.

Gragson, Casiday & Guillory