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DIORITO PARISH FIRE DISTRICT NO. 1
Logansport, Louisiana

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

**As of and for the Year Ended
December 31, 1997**

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.

Released To: **1331**

BOSSHO PARISH FIRE DISTRICT NO. 1
Lopoussat, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
December 31, 1997

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SMITH PUGH HABINGWITZ L.L.P. - CERTIFIED PUBLIC ACCOUNTANTS

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Accountant's Compliance Report

BOARD OF COMMISSIONERS
IBEROLA PARISH FIRE DISTRICT NO. 1
Logansport, Louisiana

We have compiled the accompanying general purpose financial statements of the Iberola Parish Fire District No. 1 as of December 31, 1997, and for the year then ended, in accordance with standards established by *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, accordingly, do not express an opinion or any form of assurance on them. However, we did become aware of a departure from generally accepted accounting principles that is described in the following paragraph.

A balance sheet for the general fixed asset account group as of December 31, 1997 has not been presented. Generally accepted accounting principles require that all fixed types and account groups be included when a combined balance sheet is presented.

Smith Pugh Habingwitz L.L.P.
Houston City, Louisiana
July 1, 1998

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

IBISOYO PARISH FIRE DISTRICT NO. 1
Logansport, Louisiana
ALL FUNDS TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 1997

	GOVERNMENTAL FUND TYPE - GENERAL FUND	GENERAL LONG-TERM DEBT ACCOUNT GROUP	TOTAL MEMORANDUM ONLY
ASSETS			
Cash	\$ 80,863		\$ 80,863
Receivables:			
Ad valorem taxes	178,152		178,152
Amount to-be provided for retirement of general long-term debt		\$ 238,652	238,652
TOTAL ASSETS	<u>\$ 259,014</u>	<u>\$ 238,652</u>	<u>\$ 497,666</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable	\$ 1,863		\$ 1,863
Capital lease payable		\$ 238,652	238,652
Total Liabilities	<u>1,863</u>	<u>238,652</u>	<u>240,514</u>
Fund equity, fund balances - unassigned- unobligated	247,151	30000	250,151
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 251,014</u>	<u>\$ 238,652</u>	<u>\$ 489,666</u>

See accompanying notes and accountant's compilation report.

DESOUDRE PARISH FIRE DISTRICT NO. 1
 Logansport, Louisiana
GOVERNMENTAL FUND TYPE -
GENERAL FUND

Statement of Revenues, Expenditures,
And Changes in Fund Balance
 For the Year Ended December 31, 1997

REVENUES	
All tobacco taxes	\$ 182,620
Intergovernmental revenue - state funds:	
State revenue sharing	3,679
Fire insurance rebate	6,082
Use of money and property - interest earnings	3,613
Other revenues	208
Total revenues	<u>196,172</u>
EXPENDITURES	
Public safety:	
Current:	
Personnel services	28,908
Operating services	27,143
Materials and supplies	3,288
Debt service:	
Principal	31,150
Interest	11,805
Capital outlay	<u>6,574</u>
Total expenditures	<u>139,668</u>
EXCESS OF REVENUES OVER EXPENDITURES	56,504
FUND BALANCE AT BEGINNING OF YEAR	<u>170,887</u>
FUND BALANCE AT END OF YEAR	<u>\$ 227,391</u>

See accompanying notes and accountant's compilation report.

DESOTO PARISH FIRE DISTRICT NO. 1
 Logansport, Louisiana
GOVERNMENTAL FUND TYPE -
GENERAL FUND

Statement of Revenues, Expenditures,
And Changes in Fund Balance -
Budget (Cash Basis) and Actual
For the Year Ended December 31, 1997

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
REVENUES			
Ad valorem taxes		\$ 167,004	\$ 66,614
Intergovernmental income - state funds			
State revenue sharing		1,837	1,837
Fly insurance rebate		6,600	6,600
Use of money and property interest earnings		1,415	2,415
Other revenues		200	200
Total revenues	<u>10,000</u>	<u>173,056</u>	<u>173,056</u>
EXPENDITURES			
Public safety:			
Fire:			
Personnel services	77,800	77,800	9,101
Operating services	26,200	27,800	(1,600)
Materials and supplies	3,000	3,500	(500)
Misc. services	40,000	46,700	(600)
Capital outlay	10,000	10,000	(7,700)
Total expenditures	<u>150,000</u>	<u>166,000</u>	<u>25,417</u>
EXCESS (Deficiency) OF REVENUES			
OVER EXPENDITURES	(40,000)	77,410	197,410
FUND BALANCE AT BEGINNING OF			
YEAR	<u>30,000</u>	<u>15,450</u>	<u>73,450</u>
FUND BALANCE (Deficit) AT END OF			
YEAR	<u>\$ 10,000</u>	<u>\$ 89,862</u>	<u>\$ 22,082</u>

See accompanying notes and accountant's compilation report.

DEFOLE PARISH FIRE DISTRICT NO. 1
Logansport, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1997

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Defole Parish Fire District No. 1 was created by the Defole Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492 on July 23, 1987. The district is governed by a five-member board appointed by the police jury. Total membership varies with the composition. The district is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of Defole Parish Fire District No. 1 have been prepared in accordance 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 Defole Parish Police Jury is the financial reporting entity for Defole Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the 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 (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Defole Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial responsibility. This criteria include:

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 financially dependent on the police jury.
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 police jury appoints a voting majority of the district's governing body, the district will be determined to be a component unit of the Defole 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 police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

DELSITO PARISH FIRE DISTRICT NO. 1
Lafayette, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1997

C. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (parts of fund assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The district's current operations require the use of only a governmental fund type (General Fund). The General Fund is the general operating fund of the district and is used to account for all of its financial activities.

D. FIXED ASSETS AND LONG-TERM DEBT

The district has not maintained detailed records of its general fixed assets for the year ended December 31, 1997, consequently a balance sheet of general fixed assets is not presented in the accompanying financial statements.

Long-term debt, such as capital leases, is recognized as a liability of a governmental fund only when due. The remaining portion of such debt is reported in the general long-term debt account group.

E. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All 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 for these funds present revenues (i.e., revenues and other financing sources) and expenses (i.e., expenditures and other financial uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The district uses the following practices in recognizing and reporting revenues and expenditures:

DEBOTO PARISH FIRE DISTRICT NO. 1
Logansport, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1987

Revenues

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Intergovernmental revenues are recorded when the district is entitled to the funds.

Interest income on demand deposits is recorded when the interest has been earned and the amount is determinable.

Based on the above criteria, ad valorem taxes and intergovernmental revenues have been treated as receivable to accrue.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

II. BUDGET PRACTICES

A preliminary budget prepared on the cash basis of accounting for the ensuing year is prepared by the board of commissioners and made available to the public. The budget is then adopted during the regular December meeting. The budget is established and controlled by the board of commissioners on the object level of expenditures. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners. The district does not use encumbrance accounting in its accounting system.

Formal budgetary integration is not employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements include the original adopted budget. The following reconciles the excess (deficiency) of revenues over expenditures as shown on the budget comparison Statement C (budget basis) to the same amount shown on Statement D (GARP basis):

Excess of revenues over expenditures (budgetary basis)	2 57,413
Adjustments:	
Accounts Payable	19,421
Payables	3,458
Excess of revenues over expenditures (GARP basis)	<u>2 79,292</u>

LSHCOTD PARISH FIRE DISTRICT NO. 1
Lagartoport, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1997

I. 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 principal offices in Louisiana. As December 31, 1997, the district has cash (bank balance) totaling \$80,867.

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 state tax 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 bank. Cash (bank balance) as December 31, 1997, is \$81,217 and is fully insured by federal deposit insurance.

II. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the balance sheet is captioned Miscellaneous Only (overview) to indicate that it is 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. No party is held then responsible to a consolidation.

3. LEVIED TAX

The January 16, 1988, voters of the district approved a 2 mill ad valorem tax to be used for operations of the district. This tax will expire with the 1990 tax roll. On October 3, 1994, voters of the district approved an additional 18 mill ad valorem tax to be used for operations of the district in lieu of the annual service charge approved by voters on January 18, 1988. This tax will expire with the 2005 tax roll. The uncollected millage was levied and collected for 1997.

4. CAPITAL LEASES

The district records items under capital leases as an asset and an obligation in the accompanying financial statements. As December 31, 1997, the fire district has one capital lease in effect for a 1998 rescue truck and a pumper. The lease, entered into on February 15, 1997, requires three annual installments. The following is a summary of future minimum lease payments, together with the present value of the net minimum lease payments as of December 31, 1997:

1998	\$ 20,000
1999	52,479
2000	52,479
2001	52,515
2002	52,515
2003-2007	602,875
Less amount representing interest	(75,521)
Present value of net minimum lease payments	<u>\$ 738,052</u>

INSCOTO PARISH FIRE DISTRICT NO. 1
Lagrange, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1997

4. **CHANGE IN GENERAL LONG-TERM DEBT**

The following is a summary of long-term debt transactions for the year ended December 31, 1997:

Long-term debt payable at January 1, 1997	\$ 21,800
Additions - 1997	248,545
Retirements	<u>(32,770)</u>
Long-term debt payable at December 31, 1997	<u>\$ 237,575</u>

5. **LITIGATION AND CLAIMS**

The district is not involved in any litigation at December 31, 1997, 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 and the Louisiana Allocation (Affectation), issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



Independent Accountant's Report

On Applying Agreed-Upon Procedures

ISSUE OF COMMENTARY

ISSUE PUBLIC FILE DISTRICT NO. 1

Shreveport, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and commented below, which were agreed upon by the management of the DeLaino Parish Fire District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the DeLaino Parish Fire District No. 1's compliance with certain laws and regulations during the year ended December 31, 1997 included in the accompanying Louisiana Government 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, we make no representation regarding the sufficiency of the procedures described herein either for the purpose for which this report has been prepared or for any other purpose.

Public Aid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$1,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 49:1211-1214 (the public aid law).

A review was made of all disbursement journals for the year. That review disclosed no expenditures made during the period under examination for materials and supplies exceeding \$1,000 or the public works exceeding \$50,000.

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 42:1181-1184 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

Management provided us with the required list.

4. Determine whether any of 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.

None of the employees included on the list of employees provided by management in agreed-upon procedure 3 above appeared on the list provided by management 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. There were no amendments to the budget during the year.

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

We traced the adoption of the original budget to the minutes of a meeting held on December 29, 1996, which indicated that the budget had been adopted by the Board of Commissioners of the Exline Parish Fiscal District No. 1 by vote of all in favor and none opposed. There were no amendments.

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 2% or more.

The district's budget for the year ended December 31, 1997, did not include estimated revenues and other sources as required by LSA-RS 29:1304. We compared the expenditures of the final budget to actual expenditures and determined that actual expenditures did not exceed budgeted amounts. We recommended that the district comply with the Louisiana Local Government Budget Act in the future.

Accounting and Reporting

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

- trace payments to supporting documentation, note correct amount and payee;
- determine if payments were properly coded to the correct fund and general ledger account;
- determine whether payments received approval from proper authorities.

An examination of six randomly selected disbursements disclosed the following:

- All six selected disbursements were for the proper amount as reflected on supporting documentation and were made to the correct payee.
- Five of the six selected disbursements were coded correctly as shown on their Schedule of Receipts and Disbursements report.
- Two of the six selected disbursements did not have proper approval on the invoice. However, the types of disbursements made were included in the district's approved budget.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as advertised as required by LSA-RS 41: 1-12 (the opening, meetings law).

As reported during the district's compilation as of December 31, 1996, no agendas for meetings were published or posted as required by LSA-RS 41:7. As per management, agendas were posted as required for each meeting held in 1997. During our compilation as of December 31, 1997, we noted that the meetings were not being held on a regular basis. We recommended that meetings be held at least monthly.

Details

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

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

Advances and Expenses

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

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

General

12. As reported during the district's previous compilation for the year ended December 31, 1996, the district has not maintained general fund asset records as required by generally accepted accounting principles and U.S.A. - R.S. 24: 317 (c). We noted during our December 31, 1997 compilation that this has not been corrected. We recommended that the district establish and maintain the required records.
13. During our compilation as of December 31, 1997 and as reported for December 31, 1996, we noted delinquencies to the Internal Revenue Service and the Louisiana Department of Revenue for late filing of payroll reports. As of this compilation report date, the Form 941 for the fourth quarter of 1997 has not been filed with the Internal Revenue Service. Penalties and interest are not proper expenditures of the first district. We recommended that the district file all taxes on time to avoid such charges.
14. As reported during the district's previous audit for the year ended December 31, 1995, the district's accounting records consisted solely of checkbook records. Louisiana Revised Statute 24:513(a) requires that all accounts of public funds shall be kept in the form prescribed by the Legislative Auditor. We noted during our December 31, 1997 compilation that this has not been corrected. We recommended that the district establish accounting records as prescribed by the Legislative Auditor's Fiscal Manual for Louisiana local governments.
15. The district did not file timely compiled financial statements. According to the Louisiana Revised Statutes, financial statements of government entities should file with the Legislative Auditor audited or compiled financial statements within six months after their year end. We recommended that the district engage the firm that will be doing the audit or compilation sooner so that their reports can be filed timely.

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 such audit 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 Orleans Parish First District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and takes 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.



District City Liaison

July 3, 1998

Louisiana Attestation Questionnaire

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

DESO TO FIRE DISTRICT NO. 1

P.O. BOX 1088

LOGANSPORT, LA. 71049

Mike L. Raboinville, CPA
Jacob Pugh Raboinville, L.L.P.
481 Hamilton Road, Suite 111
Bossier City, Louisiana 71111

Mr. Raboinville,

In connection with your compilation of our financial statements of the Desoto Parish Fire Protection District No. 1 as of December 31, 1991, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Code, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations 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 information available to us as of June 15, 1992.

PUBLIC BID LAW

1. The provisions of the public bid law, LSA-RS Title 28:2211, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.

Yes No N/A

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. No employment of officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone which would constitute a violation of LSA-RS 42:1181-1125.

Yes No N/A

3. 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, 1990, under circumstances which would constitute a violation of LSA-RS 42:1115.

Yes No N/A

BUDGETING

4. We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 29:1161-14) or the budget requirements of LSA-RS 58:43.

Yes No N/A

ACCOUNTING AND REPORTING

5. All non-audit governmental records are available to 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 N/A

6. We have filed our annual financial statements in accordance with LSA-RS 14:314, LSA-RS 14:361, and/or LSA-RS 14:362, as applicable.

Yes No N/A

7. We have had our financial statements audited or compiled in accordance with LSA-RS 14:313.

Yes No N/A

MEETINGS

8. We have complied with the provisions of the Opening Meetings Law, LSA-RS 42:1-12.

Yes No N/A

DEBT

9. 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 9 of the 1974 Louisiana Constitution, Article VI, Section 11 of the 1974 Louisiana Constitution, and LSA-RS 47:1428.03.

Yes No N/A

ADVANCES AND BENEFITS

10. 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 14:308, and AD opinion 79-219.

Yes No N/A

We have disclosed to you all known non-compliance of the foregoing laws and regulations, as well as any recommendations to the foregoing representatives. 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 non-compliance 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 non-compliance which may occur subsequent to the issuance of this report.


John H. Hahn
Chairman

6-11-1998
Date

DESOTO FIRE DISTRICT NO. 1

P.O. BOX 1088
LOGANSPORT, LA. 71049

RECEIVED
DESOTO FIRE DISTRICT NO. 1
30 JUL 30 AM 9:16

July 7, 1998

Louisiana Legislative Auditor
P. O. Box 95387
Baton Rouge, LA 70804-0387

Re: Smith Pugh Robinson L.L.P.
July 1, 1998 (1997 Compliance)

Dear Customers of Matters:

This letter is in response to the agreed-upon procedures findings in items 13-15 of Smith Pugh Robinson L.L.P. dated July 1, 1998, regarding general procedures.

Item #13: General fixed asset records will be established with the required information and will be updated as changes occur.

Item #14: Payroll reports in the future will be filed directly to the appropriate reporting agencies.

Item #15: The district will implement the accountant's recommendations. We have engaged a CPA firm to compile and produce financial statements on a quarterly basis for 1998.

Item #15: The district will implement the accountant's recommendations and file with the Legislative Auditor timely annual reports.

Sincerely,

