

27

RECEIVED
LEGISLATIVE DIVISION
28 JUL 26 AM 10:12

5985
98710181

**OFFICIAL
FILE COPY**
DO NOT REMOVE

When necessary
Copy from this
copy and PLACE
BACK in FILE

Financial Report

Schriever Fire Protection District

Schriever, Louisiana

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.

Release Date 7/27/98

TABLE OF CONTENTS

Schriener Fire Protection District

December 31, 1997

	<u>Exhibits</u>	<u>Page Number</u>
Introductory Section		
Title Page		i
Table of Contents		ii
Financial Section		
Independent Auditor's Report		1
Combined Balance Sheet - Governmental Fund Types and Account Groups	A	2 - 3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Fund Types	B	4
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Governmental Fund Type - General Fund	C	5
Notes to Financial Statements	D	6 - 13
Special Report Of Certified Public Accountants		
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General-Purpose Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		14 - 15
Schedule of Findings		16
Reports By Management		
Schedule of Prior Year Findings		17
Management's Corrective Action Plan		18



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Schriever Fire Protection District,
Schriever, Louisiana.

We have audited the accompanying general-purpose financial statements of Schriever Fire Protection District (the District), a component unit of the Terrebonne Parish Consolidated Government, as of December 31, 1997 and for the period from inception (February 6, 1997) to December 31, 1997, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's 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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 Schriever Fire Protection District as of December 31, 1997, and the results of its operations for the period then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated April 28, 1998 on our consideration of the Schriever Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

Hotchkiss, La.,
April 28, 1998.

**COMBINED BALANCE SHEET
GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS**

Salisbury Fire District Protection

December 31, 1997

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>
ASSETS AND OTHER DEBITS			
Assets			
Investments	\$ 12,524	\$ 19,741	\$ 908,680
Receivables - taxes	57,162	85,809	-
State revenue sharing receivable	6,265	-	-
Due from Townhouse Periods Consolidated Government	4,947	-	-
Due from Capital Projects Fund	1,125	-	-
Fixed assets	-	-	-
Other Debits			
Amount to be provided for retirement of general long-term debt	-	-	-
Total assets and other debits	<u>\$ 82,023</u>	<u>\$ 97,350</u>	<u>\$ 908,680</u>
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities			
Accounts payable and accrued expenditures	\$ 1,533	\$ 4,538	\$ 18,995
Deferred revenue	78,653	92,812	-
Due to General Fund	-	-	1,125
Bonds payable	-	-	-
Total liabilities	<u>74,186</u>	<u>97,350</u>	<u>18,720</u>
Equity and Other Credits			
Investment in general fixed assets			
Fund balances:			
Reserved - capital contracts	-		880,260
Unreserved - undesignated	7,837		-
Total equity and other credits	<u>7,837</u>		<u>880,260</u>
Total liabilities, equity and other credits	<u>\$ 82,023</u>	<u>\$ 97,350</u>	<u>\$ 908,680</u>

See notes to financial statements.

Account Groups		Total (Miscellaneous Only)
General Fixed Assets	General Long-Term Debt	
\$ -	\$ -	\$ 928,265
-	-	143,771
-	-	6,263
-	-	4,947
-	-	1,125
35,828	-	35,828
-	900,000	900,000
<u>\$ 35,828</u>	<u>\$ 900,000</u>	<u>\$ 2,015,201</u>
	\$ -	\$ 20,666
	-	163,483
	-	1,125
	<u>900,000</u>	<u>900,000</u>
	<u>900,000</u>	<u>1,091,255</u>
\$ 35,828		35,828
-		860,380
-		3,837
<u>35,828</u>		<u>921,545</u>
<u>\$ 35,828</u>	<u>\$ 900,000</u>	<u>\$ 2,015,201</u>

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDTYPES**

Schiever Fire Protection District

For the period from inception (February 6, 1997) to December 31, 1997

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Revenues				
Intergovernmental:				
Fire insurance tax	\$ 15,447			\$ 15,447
Miscellaneous - interest	1,411			1,411
Total revenues	<u>16,858</u>			<u>16,858</u>
Expenditures				
Current:				
Public Safety:				
Personal services	1,705			1,705
Supplies and materials	25,483			25,483
Other services and charges	25,942			25,942
Repairs and maintenance	29,524			29,524
Capital expenditures	24,838			24,838
Total public safety	<u>111,490</u>			<u>111,490</u>
Capital Outlay:				
Public Safety			\$ 19,720	19,720
Total expenditures	<u>111,490</u>		<u>19,720</u>	<u>131,210</u>
Deficiency of revenues over expenditures	<u>(94,632)</u>		<u>(19,720)</u>	<u>(114,352)</u>
Other Financing Sources				
General obligation bond proceeds			900,000	900,000
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(94,632)		880,280	785,648
Fund Balances				
Beginning of period	-	-	-	-
Postfund equity transfer in	102,469	-	-	102,469
End of period	<u>\$ 7,837</u>	<u>\$ -0-</u>	<u>\$ 880,280</u>	<u>\$ 888,117</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
GOVERNMENTAL FUND TYPE - GENERAL FUND**

Schriever Fire Protection District

For the period from inception (February 6, 1997) to December 31, 1997

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental:			
Fire insurance tax	\$ 11,447	\$ 11,447	\$ -
Miscellaneous - interest	1,547	1,411	136
Total revenues	<u>11,994</u>	<u>11,858</u>	<u>136</u>
Expenditures			
Current:			
Public Safety:			
Personnel services	-	1,705	(1,705)
Supplies and materials	29,410	25,483	3,927
Other services and charges	38,960	25,942	13,018
Repairs and maintenance	11,966	12,524	-458
Capital expenditures	<u>12,204</u>	<u>34,836</u>	<u>(2,632)</u>
Total expenditures	<u>111,540</u>	<u>111,490</u>	<u>5,050</u>
Deficiency of Revenues Over Expenditures	(99,546)	(99,632)	4,914
Fund Balance			
Beginning of period	-	-	-
Residual equity transfer in	<u>101,388</u>	<u>102,469</u>	<u>1,081</u>
End of period	<u>\$ 1,842</u>	<u>\$ 7,837</u>	<u>\$ 5,995</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**Schriever Fire Protection District**

December 31, 1997

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Schriever Fire Protection District (the District) conform to 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. The following is a summary of significant accounting policies:

a) Reporting Entity

The District is a component unit of the Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 1997.

The District has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

b) 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 government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting (Continued)

Governmental Funds

Governmental Funds are those through which the governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Governmental Funds of the District:

General Fund - The General Fund is the general operating fund of the District. It is used to account for resources except those that are required to be accounted for in another fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds).

Account Groups

The General Fixed Assets Account Group is used to account for fixed assets not accounted for in proprietary or trust funds. The General Long-Term Debt Account Group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

c) Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes and the related state revenue sharing (Intergovernmental revenues) are recorded as revenue in the period for which levied, thus the 1997 property taxes which are being levied to finance the 1998 budget will be recognized as

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) **Basis of Accounting (Continued)**

revenue in 1998. The 1997 tax levy is recorded as deferred revenue in the District's 1997 Financial Statements. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due.

d) **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

e) **Operating Budgetary Data**

As required by the Louisiana Revised Statutes 39:1303, the Board of Commissioners (the Board) adopted a budget for the District's General Fund. The Board, as allowed by state law, does not obtain public participation in the budget process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District amended its budget once for the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on a basis materially consistent with generally accepted accounting principles.

f) **Bad Debts**

The financial statements for the District contain no allowance for bad debts. Uncollectible receivables due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) **Investments**

Investments are stated at fair value as established by open market.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

It is not involved with the measurement of results of operations. Public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings including roads, bridges, curbs and gutters, streets and sidewalks, drainage and lighting systems are not capitalized along with other fixed asset. No depreciation has been provided on fixed assets.

All fixed assets are valued at historical cost.

l) Long-Term Debt

The accounting and reporting treatment applied to the long-term debt associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The Long-Term Debt Account Group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations.

D) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the District.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Fund Equity

Reservations of fund balance represents amounts that are not appropriable or are legally segregated for a specific purpose.

l) Memorandum Only - Total Columns

Total columns on the general-purpose financial statements are captioned "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position or results of operations or cash flows in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

Note 2 - DEPOSITS

The Parish maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash" and "investments."

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state banks organized under laws of Louisiana and National Banks having their principal office in Louisiana or any other federally insured investment.

State law requires deposits (cash and certificates of deposits) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivision are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank, or with a trust company for the account of the political subdivision. In accordance with state law all cash and deposits were collateralized.

Cash and deposits are categorized into three categories of credit risk.

Category I includes deposits covered by federal depository insurance or by collateral held by the District or its agent in the District's name.

Note 2 - DEPOSITS (Continued)

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the District's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the District's name, and deposits which are unsecured or uncollateralized.

The year and bank balances of deposits and the carrying amounts as shown on the combined balance sheet are as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Investments:				
Certificates of deposit	\$—	\$—	\$273,265	\$273,265

As mentioned previously, funds are held and invested by the Parish who has proper pledging to cover funds for the District. At December 31, 1997, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the Parish. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 1996. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid

Note 3 - PROPERTY TAXES (Continued)

through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 1997 was \$8.00 per \$1,000 of assessed valuation on property within Salriver Fire Protection District for the purpose of maintaining and operating fire protection facilities within the District and \$5.28 per \$1,000 of assessed valuation for the payment of principal and interest. As indicated in Note 1c, taxes levied November 1, 1997 are for budgeted expenditures in 1998 and will be recognized as revenues in 1998.

Note 4 - CHANGES IN FIXED ASSETS

A summary of changes in fixed assets follows:

	Balance at inception, <u>(February 6, 1997)</u>	Additions	Balance December 31, 1997
Machinery and equipment	\$ -	\$32,204	\$32,204
Office furniture, fixtures and equipment	-	3,624	3,624
Totals	\$-	\$35,828	\$35,828

Note 5 - LONG-TERM DEBT

At December 31, 1997, the District had outstanding general obligation bonds totaling \$900,000 bearing interest from .1% to 8% which are repayable through March 1, 2017 primarily from all valorem tax revenues.

The following is a summary of bond transactions of the District for the year ended December 31, 1997:

Bonds payable at inception (February 6, 1997)	\$ -
Bonds issued	<u>900,000</u>
Bonds payable at December 31, 1997	<u>\$900,000</u>

Note 5 - LONG-TERM DEBT (Continued)

The requirements to amortize all long-term debt outstanding at December 31, 1997 are as follows:

Year	Principal	Interest	Total
1998	\$ -	\$ 35,829	\$ 35,829
1999	25,000	42,982	67,982
2000	30,000	42,955	72,955
2001	30,000	42,902	72,902
2002	30,000	42,340	72,340
2003-2007	185,000	187,147	372,147
2008-2012	255,000	124,634	379,634
2013-2017	<u>345,000</u>	<u>47,381</u>	<u>392,381</u>
Totals	<u>\$900,000</u>	<u>\$566,170</u>	<u>\$1,466,170</u>

Note 6 - COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members for the year ended December 31, 1997.

Note 7 - RESIDUAL EQUITY TRANSFER

At inception, February 6, 1997, Parish Ordinance No. 5732 created five separate and distinct Fire Protection Districts within the boundaries of the former Fire Protection District 1,2,3, whose governing authority was the Parish Council. Schriever Fire Protection District is one of the newly created districts. The portion of Fire Protection District No. 1,2,3's assets allocable to each of the new districts was based upon the new district's estimated pro-rata share of ad valorem tax collected within the former boundaries of Fire Protection District No. 1,2,3. In addition to this year's residual equity transfer, the Parish Council may make adjustments during 1998 to the asset allocation based upon a final detailed analysis of all assets allocated. However, in the opinion of the District's management, changes in the asset allocation should not have a material impact on the general-purpose financial statements.

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL-
PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners,
Scrieiver Fire Protection District,
Scrieiver, Louisiana.

We have audited the general-purpose financial statements of the Scrieiver Fire Protection District (the District), a component unit of the Terrebonne Parish Consolidated Government, as of December 31, 1997 and for the period from inception (February 8, 1997) to December 31, 1997, and have issued our report thereon dated April 28, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one

or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Bougeois Bennett, L.L.C.

Certified Public Accountants.

Monroe, La.,
April 28, 1998.

SCHEDULE OF FINDINGS

Schriever Fire Protection District

For the period from inception (February 6, 1997) to December 31, 1997

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Reportable condition(s) identified that are not
 considered to be material weaknesses? ___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

b) Federal Awards

Schriever Fire Protection District did not receive federal awards during the year ended December 31, 1997.

Section II Financial Statement Findings

No financial statement findings were reported during the audit for the period from inception (February 6, 1997) ended December 31, 1997.

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS

Schriever Fire Protection District

For the period from inception (February 6, 1997) to December 31, 1997

Section I Internal Control and Compliance Material to the General-Purpose Financial Statements

Internal Control

1997 was the initial year of operation.

Compliance

1997 was the initial year of operation.

Section II Internal Control and Compliance Material to Federal Awards

1997 was the initial year of operation.

Section III Management Letter

1997 was the initial year of operation.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Schriever Fire Protection District

For the period from inception (February 6, 1997) to December 31, 1997

Section I Internal Control and Compliance Material to the General-Purpose Financial Statements

Internal Control

No material weaknesses were reported during the audit for the period from inception (February 6, 1997) to December 31, 1997.

No reportable conditions were reported during the audit for the period from inception (February 6, 1997) to December 31, 1997.

Compliance

No compliance findings were noted during the audit for the period from inception (February 6, 1997) to December 31, 1997.

Section II Internal Control and Compliance Material to Federal Awards

Schriever Fire Protection District did not receive federal awards for the period from inception (February 6, 1997) to December 31, 1997.

Section III Management Letter

A management letter was not issued in connection with the audit for the period from inception (February 6, 1997) to December 31, 1997.

COMMUNICATIONS LETTER



Bourgeois Bennett

COMMUNICATIONS WITH BOARD OF COMMISSIONERS

To the Board of Commissioners,
Schriever Fire Protection District,
Schriever, Louisiana.

We have audited the general-purpose financial statements of Schriever Fire Protection District for the period from inception (February 6, 1997) to December 31, 1997, and have issued our report thereon dated April 28, 1998. Professional standards require that we provide you with the following information related to our audit.

1) OUR RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS

As stated in our engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the general-purpose financial statements are free of material misstatement. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud or other illegal acts may exist and not be detected by us.

As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the 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 tests was not to provide an opinion on compliance with such provisions.

2) SIGNIFICANT ACCOUNTING POLICIES

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the general-purpose financial statements. We noted no transactions entered into by the District during the year that were

2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

3) ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the general-purpose financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the general-purpose financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements relate to collectibility of accounts receivable and valuation of accrued expenditures. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole. Management has provided us with representations concerning estimates.

4) SIGNIFICANT AUDIT ADJUSTMENTS

We did not initiate any significant audit adjustments during our recent audit. Year end adjustments and closing entries were prepared and provided to management.

This information is intended solely for the use of the Board of Commissioners and management of Schiever Fire Protection District and should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

Bourgeois Bennett, LLC

Certified Public Accountants

RECEIVED
REGISTRATION DIVISION

LEWIS WYDE ASSURANCE
 84704 DORCHESTER LA 70004

ON THE OLD POLICY FORM

FOR REPORTING ON ASSETS OF STATE AND LOCAL GOVERNMENTS AND COLLEGE ENDOWMENTS

OLD Form 5340-001 may be used as a substitute for this form. Date Submitted <u>6/28/98</u>		METROPOLITAN Life Assurance 4000 Employment Processing Post Office Box 6000 Baton Rouge, Louisiana 70804-6000		
1. Fiscal Year (Indicate For Tax Return): 1998		2. Type of Policy: <input type="checkbox"/> Single Asset <input checked="" type="checkbox"/> QAG Asset Standard Issue <input type="checkbox"/> Corporation <input type="checkbox"/> Corporation/Individual <input type="checkbox"/> Program Asset <input type="checkbox"/> Other		
3. Asset Period Covered: <input type="checkbox"/> Annual <input type="checkbox"/> Short-Term <input checked="" type="checkbox"/> Other: <u>2007 to 12/31/97</u>		4. Asset Category/Classification: Policy Name		
5. Asset Name: COMMERCIAL PROPERTY INSURANCE Street Address (Number and Street) 1580 West Main Street (Mailing address (if not)) Mailing address (if not) P.O. Box No. City State Zip Shreveport LA 70509		6. Policy Name: a. Street Address (Number and Street) 1580 West Main Street (Mailing address (if not)) Mailing address (if not) P.O. Box No. City State Zip Shreveport LA 70509		
b. Mailing Contact: Name Title Peggy Filer Senior Underwriter Telephone Fax (800) 473-6881 (800) 473-6887 Email (Optional)		c. Mailing Contact: Name Title Sarah A. Taylor Clerk Telephone Fax (800) 473-6128 (800) 473-6888 Email (Optional)		
7. ERISA/401(k)/408(a)(6) PLAN				
Completed (This includes whether the report was prepared for separate report via the internet)				
None				
Where the reporting entity's policy financial ratios, or specific conditions, or related statements, or related interests or ownerships are 50% or greater held, check this box. (Do not complete this box unless true)				
<input checked="" type="checkbox"/>				
8. TYPE OF OPINION				
a. Type of audit report or financial statements <input type="checkbox"/> Not Applicable				
b. Unqualified Opinion <input type="checkbox"/> Qualified Opinion <input type="checkbox"/> Reserve Opinion <input type="checkbox"/> Disclaimer of Opinion				
c. Is a going concern explanatory paragraph included in the audit report? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
d. Do any of the footnotes affect the balance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
e. Is there a contingent liability? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
9. INTERNAL CONTROL				
Do the accounts or related financial records <input type="checkbox"/> Internal weaknesses <input type="checkbox"/> Significant deficiencies <input type="checkbox"/> Not Applicable				
a. DISORGANIZED				
Do the accounts or compliance records <input type="checkbox"/> Internal weaknesses <input type="checkbox"/> Significant deficiencies <input type="checkbox"/> Not Applicable				
b. MISMANAGED				
None Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable				
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable				
Resolved <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Longer Applicable				
10. SCHEDULE OF CURRENT YEAR FINANCIALLY RELATED COSTS (Including Capital and Fee)				
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
Do any findings indicate a violation, either included or related party transactions? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Do any findings indicate a violation of applicable contracts? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
11. STATE OF LA PLAN TO ALL FINANCIALLY RELATED COSTS (Including Capital and Fee)				
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable

CLIENT SIGNATURE Larry M. R. [Signature] Date 6/28/98

REGISTERED ACCOUNT NUMBER

Agency No. _____ Proj. No. _____ File No. _____

FOR USE BY LEGISLATIVE AUDITOR

Date Report Received: _____ Date Processed: _____

Legislative Audit Advisory Council	Are there unresolved findings listed below?	Yes or No
Chief Attorney	Are there findings of serious issue?	Yes or No
Board of Ethics	Are there findings of ethics, impartial, or related parties?	Yes or No
State Board of Examiners (SBE)	Are there any findings relating to controls of bond issuances?	Yes or No
	Does the report contain (PDF) - document recommendations?	Yes or No
	Does the report have a deficit greater than 10% of revenue? (Yes, identify the page(s))	Yes or No
High Profile	Are there any significant findings?	Yes or No

Report Approved to Release: _____ Date: _____ Ref: A B C D

(A) Comments, (B) Management Letter Comments Only, (C) Control/Compliance Report(s) Comments, (D) Unresolved Audit

Note: For planning purposes, schedules of internal controls are tested on a management basis

REPORT COPY DISTRIBUTION

File Room (Online Unlocked Copy)	✓	State of State (State CAPS System)	See Below
Attorney General	✓	Investigator Group (Contract Audit)	✓
Chief of Staff	✓	Board of Ethics	✓
General Office	✓	Internal Section (State/Statewide Performance System)	✓
Management (MSA)	✓	Equipment Manager (SBE's Copy)	✓
State Attorney	✓	Dually Assessment	✓
Legislative Auditor (High Profile)	✓	_____ Parish Government	✓
Assistant Legislative Auditor (High Profile)	✓	Copyrights Types of _____	✓
SBE (High Profile)	✓	Other _____	✓
Press Release Chief (High Profile)	✓	Other _____	✓
Press	✓		
Archives	✓	Distribution Approval (Initials) _____	
Legislative Audit Advisory Council	✓	Copy Needed _____ Copies TBA _____	