

5379

**OFFICIAL  
FILE COPY**  
**DO NOT SEND OUT**  
(Xerox necessary  
copies from this  
copy and PLACE  
BACK in FILE)

**RECEIVED**

MAR 27 1998

LEGISLATIVE AUDITOR

DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
BATON ROUGE, LOUISIANA  
FINANCIAL STATEMENTS  
FOR  
THE YEAR ENDED DECEMBER 31, 1997

A COMPONENT UNIT OF THE  
CONSOLIDATED GOVERNMENT OF THE CITY OF BATON ROUGE,  
PARISH OF EAST BATON ROUGE

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 APR 15 1998

DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE

FINANCIAL STATEMENTS  
DECEMBER 31, 1997  
TABLE OF CONTENTS

	PAGE
<u>Independent Auditor's Reports</u>	
Independent Auditor's Report	1-2
Independent Auditor's Report on Internal Control Structure Based on an Audit of the Component Unit Financial Statements Performed in accordance with Government Auditing Standards	3-5
Independent Auditor's Compliance Report Based on an Audit of the Component Unit Financial Statements Performed in Accordance with Government Auditing Standards	6-7
<u>Component Unit Financial Statements</u>	
Exhibit A Combined Balance Sheet-Governmental Fund Types and Account Groups	8
Exhibit B Combined Statement of Revenues, Expenditures, and Changes in Fund Balance-All Governmental Fund Types	9-10
Exhibit C Combined Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual (GAAP Basis) General and Special Revenue Fund Types	11-16
Notes to the Financial Statements	17-27

**ROY HEBERT**  
CERTIFIED PUBLIC ACCOUNTANT

7523 JEFFERSON HIGHWAY  
BATON ROUGE, LOUISIANA 70806  
(504) 927-7555

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

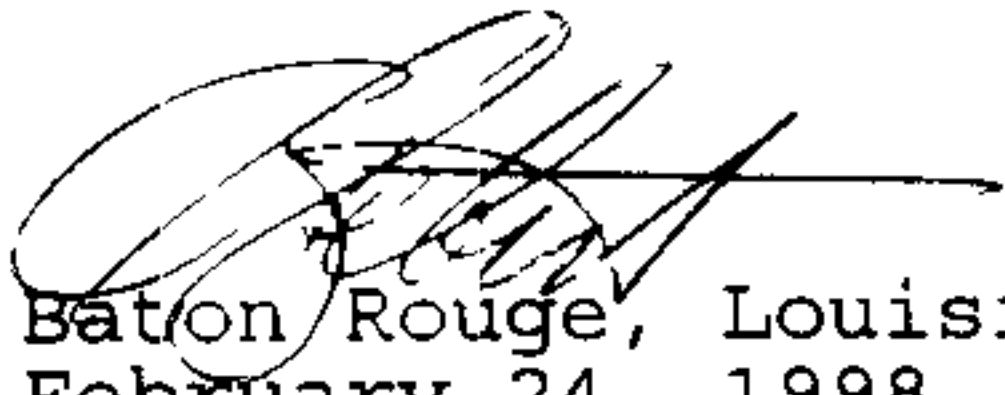
**INDEPENDENT AUDITOR'S REPORT**

Mr. Chris Medine, Chairman  
and Members of the Board of Commissioners  
District Six Fire Protection District  
7878 Prescott Road  
Baton Rouge, Louisiana 70812

I have audited the accompanying general purpose financial statements and the combining, individual fund, and account group financial statements of District Six Fire Protection District (the "District"), a component unit of the Consolidated Government of the City of Baton Rouge, Parish of East Baton Rouge, as of and for the year ended December 31, 1997. These component unit financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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 general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of District Six Fire Protection District, as of December 31, 1997, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles. Also, in my opinion, the combining, individual fund, and account group financial statements, Exhibits B and C, present fairly, in all material respects, the financial position of each of the individual funds and individual account groups of the District at December 31, 1997, and the results of operations of such individual funds for the year then ended in conformity with generally accepted accounting principles.

A handwritten signature in black ink, appearing to be 'R. H. ...', written over the typed text.

Baton Rouge, Louisiana  
February 24, 1998

**ROY HEBERT**  
CERTIFIED PUBLIC ACCOUNTANT

7523 JEFFERSON HIGHWAY  
BATON ROUGE, LOUISIANA 70806  
(504) 927-7555

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

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

Mr. Chris Medine, Chairman  
and members of the Board of Commissioners  
District Six Fire Protection District  
7878 Prescott Road  
Baton Rouge, Louisiana 70812

I have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of District Six Fire Protection District (the "District"), a component unit of the Consolidated Government of the City of Baton Rouge, Parish East Baton Rouge, as of and for the year ended December 31, 1997, and have issued my report thereon dated February 24, 1998.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of District Six Fire Protection District is responsible for establishing and maintaining a system of internal accounting controls. 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 my audit of the general purpose financial statements of District Six Fire Protection District, for the year



ended December 31, 1997, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion of the internal control structure. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I considered to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

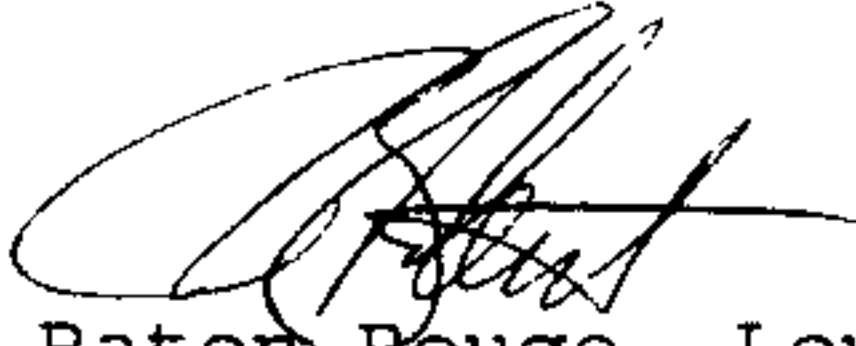
Finding:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to economic limitations.
Recommendation:	No action is recommended.
Management's response:	Even though adequate segregation of duties cannot be accomplished due to limited staffing in the administrative and accounting areas, management feels that other controls are in place to provide adequate safeguarding of assets.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure element does not reduce to a relatively low level the risk that errors and 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.

My 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 disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe that the lack of segregation of duties is a material weakness. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the general purpose financial statements of District Six Fire Protection District for the year ended December 31,

1997.

This report is intended for the information of the management of District Six Fire Protection District, the consolidated government of the City of Baton Rouge and Parish of East Baton Rouge, and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'A. J. ...', written over a horizontal line.

Baton Rouge, Louisiana  
February 24, 1998

**ROY HEBERT**  
CERTIFIED PUBLIC ACCOUNTANT

7523 JEFFERSON HIGHWAY  
BATON ROUGE, LOUISIANA 70806  
(504) 927-7555

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S COMPLIANCE REPORT BASED ON AN AUDIT OF THE  
GENERAL PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Mr. Chris Medine, Chairman  
and members of the Board of Commissioners  
District Six Fire Protection District  
7878 Prescott Road  
Baton Rouge, Louisiana 70812

I have audited the general purpose financial statements and the combining, individual fund, and account group financial statements of District Six Fire Protection District (the "District"), a component unit of the Consolidated Government of the City of Baton Rouge, Parish of East Baton Rouge, as of and for the year ended December 31, 1997, and issued my report thereon dated February 24, 1998.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the District Six Fire Protection District is the responsibility of the District's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the District's compliance with certain provisions of laws and regulations. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

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

I noted an immaterial instance of noncompliance that I have reported to the management of the District in a separate letter dated February 24, 1998.



This report is intended for the information of the management of District Six Fire Protection District, the consolidated government of the City of Baton Rouge and Parish of East Baton Rouge, and the Louisiana Legislative Auditor. This restriction is not intended to limit the the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'J. Allen', written in a cursive style.

Baton Rouge, Louisiana  
February 24, 1998

**EXHIBIT A**  
**DISTRICT SIX FIRE PROTECTION DISTRICT**  
**PARISH OF EAST BATON ROUGE**  
**COMBINED BALANCE SHEET**  
**GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 1997**

	Governmental General Fund	Fund Types Special Revenue Fund	Account General Fixed Assets	Groups General Long- Term Debt	Totals (Memo Only)
<b>ASSETS AND OTHER DEBITS</b>					
Current assets:					
Cash	\$ 60,874	\$ 3,500	\$ -	\$ -	\$ 64,374
Certificates of deposit	106,121	-	-	-	106,121
Ad valorem taxes receivable	98,030	-	-	-	98,030
Fire protection service charges receivable	33,840	-	-	-	33,840
Due from other governmental units	153,937	-	-	-	153,937
Fixed assets:					
Land	-	-	33,000	-	33,000
Buildings	-	-	254,500	-	254,500
Equipment	-	-	450,640	-	450,640
Equipment under capital lease	-	-	109,281	-	109,281
Other debits:					
Amount to be provided for retirement of long-term debt	-	-	-	59,257	59,257
<b>TOTAL ASSETS</b>	<b>\$ 452,802</b>	<b>\$ 3,500</b>	<b>\$ 847,421</b>	<b>\$ 59,257</b>	<b>\$ 1,362,980</b>
<b>LIABILITIES AND FUND EQUITY</b>					
Current liabilities:					
Accounts payable	15,667	-	-	-	15,667
Payroll taxes withheld and accrued	1,693	769	-	-	2,462
Long-term liabilities:					
Compensated absences payable	-	-	-	43,407	43,407
Obligation under capital lease	-	-	-	15,850	15,850
<b>Total liabilities</b>	<b>17,360</b>	<b>769</b>	<b>-</b>	<b>59,257</b>	<b>77,386</b>
Fund Equity:					
Investment in General Fixed Assets	-	-	847,421	-	847,421
Fund balance-unreserved and undesignated	435,442	2,731	-	-	438,173
<b>Total fund equity</b>	<b>435,442</b>	<b>2,731</b>	<b>847,421</b>	<b>-</b>	<b>1,285,594</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 452,802</b>	<b>\$ 3,500</b>	<b>\$ 847,421</b>	<b>\$ 59,257</b>	<b>\$ 1,362,980</b>

The accompanying notes are an integral part of this statement.

**EXHIBIT B**  
**DISTRICT SIX FIRE PROTECTION DISTRICT**  
**PARISH OF EAST BATON ROUGE**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE**  
**ALL GOVERNMENTAL FUND TYPES**

	General Fund	Special Revenue Fund	Totals (Memo Only)
<b>REVENUES</b>			
<b>Taxes</b>			
Ad valorem taxes	\$ 232,428	\$ -	\$ 232,428
Fire protection service charges	128,480	-	128,480
Penalties, interest, and collection costs	3,654	-	3,654
<b>Total taxes</b>	<b>364,562</b>	<b>-</b>	<b>364,562</b>
<b>Intergovernmental revenues</b>			
State fire insurance rebate	27,136	-	27,136
State revenue sharing	69,079	-	69,079
East Baton Rouge Parish	75,000	57,917	132,917
<b>Total intergovernmental revenues</b>	<b>171,215</b>	<b>57,917</b>	<b>229,132</b>
<b>Miscellaneous revenue</b>			
Interest earned	10,370	170	10,540
Miscellaneous revenue	15,974	9,435	25,409
<b>Total miscellaneous revenue</b>	<b>26,344</b>	<b>9,605</b>	<b>35,949</b>
<b>Total revenues</b>	<b>562,121</b>	<b>67,522</b>	<b>629,643</b>
<b>Expenditures:</b>			
<b>Current operations:</b>			
<b>General government</b>			
Accounting fees	4,481	-	4,481
Legal fees	11,346	1,792	13,138
<b>Total general government</b>	<b>15,827</b>	<b>1,792</b>	<b>17,619</b>
<b>Public safety</b>			
Advertising	3,320	-	3,320
Dues	1,029	-	1,029
Employee benefits	75,717	685	76,402
Fee billing	22,144	-	22,144
Food	2,058	-	2,058
Insurance	13,890	4,322	18,212
Maintenance and repair	27,618	10,925	38,543
Medical program	1,561	-	1,561
Pest control	56	-	56
Postage	956	-	956
Rent	7,352	-	7,352

(continued)

The accompanying notes are an integral part of this statement.

EXHIBIT B (CONTINUED)  
DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
ALL GOVERNMENTAL FUND TYPES

	General Fund	Special Revenue Fund	Totals (Memo Only)
Retirement costs-other	6,329	-	6,329
Salaries	270,117	30,750	300,867
Supplies	21,942	7,807	29,749
Telephone	5,609	925	6,534
Training	4,076	2,156	6,232
Utilities	11,384	-	11,384
<b>Total public safety</b>	<b>475,158</b>	<b>57,570</b>	<b>532,728</b>
<b>Capital outlay</b>			
Communications equipment	2,854	-	2,854
Facilities	3,921	-	3,921
Fire fighting equipment	18,969	5,429	24,398
Office furniture and equipment	572	-	572
<b>Total capital outlay</b>	<b>26,316</b>	<b>5,429</b>	<b>31,745</b>
<b>Other financing uses</b>			
Debt service			
Principal retirement	14,686	-	14,686
Interest expense	2,421	-	2,421
<b>Total other financing uses</b>	<b>17,107</b>	<b>-</b>	<b>17,107</b>
<b>Total expenditures</b>	<b>534,408</b>	<b>64,791</b>	<b>599,199</b>
<b>Excess of revenues over expenditures and other sources</b>	<b>27,713</b>	<b>2,731</b>	<b>30,444</b>
<b>Fund balance at beginning of year</b>	<b>407,729</b>	<b>-</b>	<b>407,729</b>
<b>Fund balance at end of year</b>	<b>\$ 435,442</b>	<b>\$ 2,731</b>	<b>\$ 438,173</b>

The accompanying notes are an integral part of this statement.



**EXHIBIT C**  
**DISTRICT SIX FIRE PROTECTION DISTRICT**  
**PARISH OF EAST BATON ROUGE**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (GAAP BASIS) GENERAL AND SPECIAL REVENUE FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

	-----General Fund-----		
	Revised	Actual	Variance
	Budget	(Budgetary	Favorable
		Basis)	(Unfavorable)
<b>REVENUES</b>			
<b>Taxes</b>			
Ad valorem taxes	\$ 221,550	\$ 232,428	\$ 10,878
Fire protection service charge	122,500	128,480	5,980
Penalties, interest, and collection costs	1,500	3,654	2,154
<b>Total taxes</b>	<b>345,550</b>	<b>364,562</b>	<b>19,012</b>
<b>Intergovernmental revenues</b>			
State fire insurance rebate	27,000	27,136	136
State revenue sharing	68,000	69,079	1,079
East Baton Rouge Parish	-	75,000	75,000
<b>Total intergovernmental revenues</b>	<b>95,000</b>	<b>171,215</b>	<b>76,215</b>
<b>Miscellaneous revenue</b>			
Interest earned	8,500	10,370	1,870
Miscellaneous revenue	3,000	15,974	12,974
<b>Total miscellaneous revenue</b>	<b>11,500</b>	<b>26,344</b>	<b>14,844</b>
<b>Total revenues</b>	<b>452,050</b>	<b>562,121</b>	<b>110,071</b>
<b>Expenditures:</b>			
<b>Current operations:</b>			
<b>General government</b>			
Accounting fees	4,100	4,481	(381)
Legal fees	10,500	11,346	(846)
<b>Total general government</b>	<b>14,600</b>	<b>15,827</b>	<b>(1,227)</b>
<b>Public safety</b>			
Advertising	950	3,320	(2,370)
Dues	1,200	1,029	171
Employee benefits	79,530	75,717	3,813
Fee billing	19,500	22,144	(2,644)
Food	1,000	2,058	(1,058)
Insurance	15,580	13,890	1,690
Maintenance and repair	28,300	27,618	682
Medical program	1,500	1,561	(61)
Pest control	170	56	114
Postage	1,000	957	43
Rent	6,500	7,352	(852)

(continued)

The accompanying notes are an integral part of this statement.

**EXHIBIT C (CONTINUED)**  
**DISTRICT SIX FIRE PROTECTION DISTRICT**  
**PARISH OF EAST BATON ROUGE**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (GAAP BASIS) GENERAL AND SPECIAL REVENUE FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

	-----General Fund-----		
	Revised Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Retirement costs-other	-	6,329	(6,329)
Salaries	264,330	270,117	(5,787)
Supplies	15,600	21,942	(6,342)
Telephone	6,500	5,609	891
Training	4,000	4,076	(76)
Utilities	8,150	11,384	(3,234)
<b>Total public safety</b>	<b>453,810</b>	<b>475,159</b>	<b>(21,349)</b>
Capital outlay			
Communications equipment	750	2,854	(2,104)
Facilities	9,220	3,921	5,299
Fire fighting equipment	10,350	18,969	(8,619)
Office furniture and equipment	-	572	(572)
<b>Total capital outlay</b>	<b>20,320</b>	<b>26,316</b>	<b>(5,996)</b>
Other financing uses			
Debt service:			
Principal retirement	17,110	14,686	2,424
Interest expense	-	2,422	(2,422)
<b>Total other financing uses</b>	<b>17,110</b>	<b>17,108</b>	<b>2</b>
<b>Total expenditures</b>	<b>505,840</b>	<b>534,410</b>	<b>(28,570)</b>
Excess of revenues over (under) expenditures and other uses	(13,750)	27,713	41,465
Fund balance at beginning of year	94,694	407,729	313,035
Fund balance at end of year	\$ 80,944	\$ 435,442	\$ 354,500

The accompanying notes are an integral part of this statement.

EXHIBIT C (CONTINUED)  
DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL (GAAP BASIS) GENERAL AND SPECIAL REVENUE FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1997

	-----Special Revenue Fund-----		
	Revised Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Taxes			
Ad valorem taxes	\$ -	\$ -	\$ -
Fire protection service charge	-	-	-
Penalties, interest, and collection costs	-	-	-
<b>Total taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>
Intergovernmental revenues			
State fire insurance rebate	-	-	-
State revenue sharing	-	-	-
East Baton Rouge Parish	57,700	57,917	217
<b>Total intergovernmental revenues</b>	<b>57,700</b>	<b>57,917</b>	<b>217</b>
Miscellaneous revenue			
Interest earned	-	170	170
Miscellaneous revenue	-	9,435	9,435
<b>Total miscellaneous revenue</b>	<b>-</b>	<b>9,605</b>	<b>9,605</b>
<b>Total revenues</b>	<b>57,700</b>	<b>67,522</b>	<b>9,822</b>
<b>Expenditures:</b>			
Current operations.			
General government			
Accounting fees	-	-	-
Legal fees	-	1,792	(1,792)
<b>Total general government</b>	<b>-</b>	<b>1,792</b>	<b>(1,792)</b>
Public safety			
Advertising	-	-	-
Dues	-	-	-
Employee benefits	-	685	(685)
Fee billing	-	-	-
Food	-	-	-
Insurance	6,000	4,322	1,678
Maintenance and repair	12,400	10,925	1,475
Medical program	-	-	-
Pest control	-	-	-
Postage	-	-	-
Rent	-	-	-

(continued)

The accompanying notes are an integral part of this statement.

**EXHIBIT C (CONTINUED)**  
**DISTRICT SIX FIRE PROTECTION DISTRICT**  
**PARISH OF EAST BATON ROUGE**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (GAAP BASIS) GENERAL AND SPECIAL REVENUE FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 1997**

	-----Special Revenue Fund-----		
	Revised Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Retirement costs-other	-	-	-
Salaries	32,400	30,750	1,650
Supplies	1,700	7,807	(6,107)
Telephone	1,000	925	75
Training	400	2,156	(1,756)
Utilities			
<b>Total public safety</b>	<b>53,900</b>	<b>57,570</b>	<b>(3,670)</b>
<b>Capital outlay</b>			
Communications equipment	-	-	-
Fire fighting equipment	3,800	5,429	(1,629)
Office furniture and equipment	-	-	-
Vehicles	-	-	-
<b>Total capital outlay</b>	<b>3,800</b>	<b>5,429</b>	<b>(1,629)</b>
<b>Other financing uses</b>			
Debt service:			
Principal retirement	-	-	-
Interest expense	-	-	-
<b>Total other financing uses</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>57,700</b>	<b>64,791</b>	<b>(7,091)</b>
<b>Excess of revenues over (under)</b> <b>  expenditures and other uses</b>	<b>-</b>	<b>2,731</b>	<b>2,731</b>
<b>Fund balance at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance at end of year</b>	<b>\$ -</b>	<b>\$ 2,731</b>	<b>\$ 2,731</b>

The accompanying notes are an integral part of this statement.



EXHIBIT C (CONTINUED)  
DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL (GAAP BASIS) GENERAL AND SPECIAL REVENUE FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1997

	-----Totals (Memo Only)-----		
	Revised Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
<b>Taxes</b>			
Ad valorem taxes	\$ 221,550	\$ 232,428	\$ 10,878
Fire protection service charge	122,500	128,480	5,980
Penalties, interest, and collection costs	1,500	3,654	2,154
<b>Total taxes</b>	<b>345,550</b>	<b>364,562</b>	<b>19,012</b>
<b>Intergovernmental revenues</b>			
State fire insurance rebate	27,000	27,136	136
State revenue sharing	68,000	69,079	1,079
East Baton Rouge Parish	57,700	132,917	75,217
<b>Total intergovernmental revenues</b>	<b>152,700</b>	<b>229,132</b>	<b>76,432</b>
<b>Miscellaneous revenue</b>			
Interest earned	8,500	10,540	2,040
Miscellaneous revenue	3,000	25,409	22,409
<b>Total miscellaneous revenue</b>	<b>11,500</b>	<b>35,949</b>	<b>24,449</b>
<b>Total revenues</b>	<b>509,750</b>	<b>629,643</b>	<b>119,893</b>
<b>Expenditures</b>			
<b>Current operations:</b>			
<b>General government</b>			
Accounting fees	4,100	4,481	(381)
Legal fees	10,500	13,138	(2,638)
<b>Total general government</b>	<b>14,600</b>	<b>17,619</b>	<b>(3,019)</b>
<b>Public safety</b>			
Advertising	950	3,320	(2,370)
Dues	1,200	1,029	171
Employee benefits	79,530	76,402	3,128
Fee billing	19,500	22,144	(2,644)
Food	1,000	2,058	(1,058)
Insurance	21,580	18,212	3,368
Maintenance and repair	40,700	38,543	2,157
Medical program	1,500	1,561	(61)
Pest control	170	56	114
Postage	1,000	956	44
Rent	6,500	7,352	(852)

(continued)

The accompanying notes are an integral part of this statement.

EXHIBIT C (CONTINUED)  
DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
BUDGET AND ACTUAL (GAAP BASIS) GENERAL AND SPECIAL REVENUE FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 1997

	Revised Budget	Actual (Budgetary Basis)	Variance Favorable (Unfavorable)
Retirement costs-other	-	6,329	(6,329)
Salaries	296,730	300,867	(4,137)
Supplies	17,300	29,749	(12,449)
Telephone	7,500	6,534	966
Training	5,400	6,232	832
Utilities	8,150	11,384	(3,234)
<b>Total public safety</b>	<b>508,710</b>	<b>532,728</b>	<b>(22,354)</b>
Capital outlay			
Communications equipment	750	2,854	(2,104)
Facilities	9,220	3,921	5,269
Fire fighting equipment	14,150	24,398	(10,248)
Office furniture and equipment	-	572	(572)
<b>Total capital outlay</b>	<b>24,120</b>	<b>31,745</b>	<b>(7,655)</b>
Other financing uses			
Debt service			
Principal retirement	17,110	14,686	2,424
Interest expense	-	2,421	(2,421)
<b>Total other financing uses</b>	<b>17,110</b>	<b>17,107</b>	<b>3</b>
<b>Total expenditures</b>	<b>564,540</b>	<b>599,199</b>	<b>(33,025)</b>
Excess of revenues over (under) expenditures and other uses	(13,750)	30,446	44,196
Fund balance at beginning of year	94,694	407,729	313,035
Fund balance at end of year	\$ 80,944	\$ 438,175	\$ 357,231

The accompanying notes are an integral part of this statement.

**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying component unit financial statements of the District Six Fire Protection District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

District Six Fire Protection District was created in the Parish of East Baton Rouge by Parish Resolution 12992, adopted December 22, 1976. Pursuant to the authority granted under Article VI, Sections 15 and 19 of the Louisiana Constitution of 1974, and pursuant to LRS 33:1415 and 40:1491-1506, the Metropolitan Council of the City of Baton Rouge and Parish of East Baton Rouge created and established the Board of Commissioners ("Board") for District 6 Fire Protection District. The Board is composed of five members appointed by the Metropolitan Council and must be resident property taxpayers of the District. The District provides fire protection services to all of territory situated within its confines.

For financial reporting purposes, in conformance with GASB Codification of Governmental Accounting and Financial Reporting Standards, the District includes all funds and account groups that are controlled by the District.

GASB Statement No. 14, the Financial Reporting Entity, established criteria for determining which component units should be considered part of a larger governmental reporting entity for financial and reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell, and lease property in its own name.
2. Whether the larger governmental reporting entity appoints a majority of commission members of the potential component unit.
3. Fiscal interdependency between the larger governmental reporting entity and the potential component unit.
4. Imposition of will by the larger governmental reporting entity on the potential component unit.

**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

5. Financial benefit/burden relationship between the larger governmental reporting entity and the potential component unit.

Based on this criteria, the District's management has concluded that it is a component unit of the Consolidated Governmental of the City of Baton Rouge, Parish of East Baton Rouge.

**C. FUND ACCOUNTING**

The accounts of the District are organized on the basis of a fund and account groups, each of which is considered a separate accounting entity. The operations of the fund is accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The fund presented in the financial statements is described as follows:

**Governmental Funds:**

**General Fund**

The General Fund is the principal fund of the District and is used to account for the operations of the District. General tax revenues and other sources of revenue used to finance the fundamental operations of the District are accounted for in this fund. General operating expenditures are paid from this fund.

**Special Revenue Fund**

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than capital outlay) that are legally restricted to expenditures for specified purposes.

**D GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT**

Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets account group, rather than the General Fund. Fixed assets are valued at historical cost and no depreciation has been provided on general fixed assets.

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt account group, not in the General Fund.

The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.



DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

E. 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.

The governmental fund is accounted for using the modified accrual basis of accounting. The revenues are recognized when they become measurable and available as net current assets. Property taxes and fire protection service charges are considered measurable in the calendar year of the tax levy and service charge billing. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) claims and judgements, and compensated absences are recorded as expenditures when paid with expendable available financial resources.

F. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

G. BUDGETS AND BUDGETARY ACCOUNTING

A proposed operating budget for the General Fund, prepared on GAAP basis, is approved by the Board of Commissioners and adopted in accordance with the Local Government Budget Law. The operating budget includes proposed expenditures and the means of financing them. All annual appropriations lapse at the end of each fiscal year.

H. CASH AND INVESTMENTS

Cash and investments, which include interest-bearing demand deposit accounts and certificates of deposit, are stated at cost, which approximates market.

I. COMPENSATED ABSENCES

The District has the following policies related to annual and sick leave:

Annual leave is determined by the number of years of service and accrues each pay period. Accrued annual leave is carried over from

**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

year to year. If an employee resigns after his first year of employment, accumulated annual leave already earned will be paid. In cases where an employee is laid off through no fault of their own and after six months of employment, annual leave earned for the period they were employed will be paid to them. Upon retirement, an employee will be paid for accrued annual leave not to exceed 960 hours when combined with accrued sick leave.

Sick leave is determined by the number of years of service and accrues each pay period. Accrued sick leave is carried over from year to year. Upon retirement, an employee will be paid for accrued sick leave not to exceed 960 hours when combined with accrued annual leave.

At December 31, 1997, employees of the District had accumulated and vested \$43,407 annual leave and sick leave benefits, which was computed in accordance with GASB Statement No. 16 and is recorded within the general long-term debt account group.

**J. TOTALS COLUMNS ON THE COMBINED STATEMENTS**

The total column on the combined balance sheet is captioned Memo Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**K. ENCUMBRANCES**

Encumbrance accounting, under which contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of that appropriation, is not employed by the District.

**NOTE 2-CASH**

Under state law, the District may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Further, the District may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

State statutes require that these deposits be insured by Federal depository insurance or collateralized by securities held in the name of the District by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 1997, the status of deposited funds and collateralized balances are as follows:

**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Balance per bank statements	\$173,698
Secured by Federal depository insurance	100,000
Market value of collateralized securities	202,687
	-----
Balance unsecured and uncollateralized	\$ -
	=====

**NOTE 3-PROPERTY TAXES**

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission. The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The assessor is required to reappraise all property subject to taxation at intervals of not more than four years.

The Sheriff of East Baton Rouge Parish, as provided by LRS 33:1435, is the official tax collector of general property taxes levied by the Parish and Parish Special Districts. By agreement, the Sheriff is also the tax collector for City property taxes for which he receives a commission of 4.5% of total taxes collected for the City. December tax collections remitted to the District by the Sheriff in January are reported as "Due from other governmental units."

The 1997 property tax calendar is as follows:

Levy date	March 12, 1997
Millage rates adopted	March 12, 1997
Tax bills mailed	December 1, 1997
Due date	December 31, 1997
Lien date	January 1, 1998

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed. Therefore, there are no delinquent taxes at year-end.

All property taxes are recorded in governmental funds, and as ex-



**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

plained in Note 1(E), revenues in governmental funds are recognized in the accounting period in which they become available and measurable. Property taxes are considered measurable in the calendar year of the tax levy. Accordingly, the entire tax roll less an estimate for uncollectible taxes is recorded as revenue in the current calendar year. Uncollectible taxes are those taxes which, based on past experience, will not be collected in the subsequent year and are primarily due to subsequent adjustments of the tax rolls. All of the net taxes receivable at the end of the year are considered available. Available means due, or past due and receivable within the current period, and collected within the current period or expect to be collected soon enough thereafter to pay liabilities of the current period. Property taxes are considered available because they are substantially collected within 60 days subsequent to year-end or they are completely available for short-term debt and short-term advances from the tax collector due to time lags between collections and the remittance to the District.

**NOTE 4-FIRE PROTECTION SERVICE CHARGES**

The District is empowered to assess a service of \$32 for each residential and commercial structure in the District. On July 1, 1994, the Board of Commissioners of the District voted to raise the service fee charged by the District from \$16 per structure to \$32 per structure effective July 1, 1994.

The Board, on that same day, adopted the following service fee calendar for subsequent years:

Initial bills to be sent	July 1
Second bills to be sent	August 15
Certified letter sent to property owner	October 1
Lien date	December 1
File law suit	June 1

The Board has also adopted policies regarding the collection of costs associated with the collection of delinquent service fees. At present, the Board has decided to charge an additional \$20 for each person and structure against which a lien and privilege is imposed in the collection process.

The service fees are recorded in the governmental fund, and as explained in Note 1(E), revenues in governmental funds are recognized in the accounting period in which they become available and measurable. Service fees are considered measurable in the calendar year of the assessment. Accordingly, the entire assessment less an estimate for uncollectible service fees is recorded as revenue in the current calendar year. All of the net service fees receivable at the end of the year are considered available. Available means due,



DISTRICT SIX FIRE PROTECTION DISTRICT  
 PARISH OF EAST BATON ROUGE  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period.

NOTE 5-RECEIVABLES

Property taxes and fire protection service charges receivable and estimated uncollectible amounts for the District are as follows:

	Property Taxes		Fire Protection Service Charges
Amounts receivable	\$ 106,134		\$ 76,117
Estimated uncollectibles	8,104		42,277
	-----		-----
	\$ 98,030		\$ 33,840
	=====		=====

NOTE 6-DUE FROM OTHER GOVERNMENTAL UNITS

The amounts due from other governmental units are as follows:

East Baton Rouge Parish Sheriff	\$ 130,661
Louisiana State Revenue Sharing	23,276
	-----
	\$ 153,937
	=====

NOTE 7-CHANGES IN GENERAL FIXED ASSETS

A summary of changes in fixed assets follows:

	Balance Beginning of Year	Additions	Adjustments and Deletions	Balance End of Year
Land	\$ 33,000	-	-	\$ 33,000
Buildings	250,579	3,921	-	254,500
Equipment	457,155	27,824	34,339	450,640
Equipment under capital lease	109,281	-	-	109,281
	-----	-----	-----	-----
	\$850,015	\$ 31,745	\$ 34,339	\$847,421
	=====	=====	=====	=====

NOTE 8-PENSION PLAN

The District, as well as covered employees, make contributions to the Employees' Retirement System of the City of Baton Rouge, Parish of East Baton Rouge. This is a multiple-employer defined-benefit pension plan that provides retirement benefits for all full-time

**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

employees of the District, as well as:

City of Baton Rouge, Parish of East Baton Rouge  
District Attorney of the Nineteenth Judicial District  
Nineteenth Judicial District Court  
East Baton Rouge Parish Family Court  
East Baton Rouge Parish Juvenile Court  
St. George Fire Protection District  
Brownsfield Fire Protection District  
Central Fire Protection District  
East Baton Rouge Fire Protection District No. 6  
East Baton Rouge Recreation and Park Commission

The Retirement System is reported as a blended component unit of the City-Parish as defined by Governmental Accounting Standards Board Statement No. 14, The Financial Reporting Entity. Since the Retirement System is part of the City-Parish's reporting entity, its financial statements are included as a Pension Trust Fund by the primary government.

The Board of Trustees of the Retirement System was created by the City of Baton Rouge and the Parish of East Baton Rouge Plan of Government to administer the assets of the system, and is composed of seven members. Four of the trustees are members of the Retirement System, two are selected from non police and fire department employees, and one trustee each is selected from the Police and Fire Departments. The remaining membership of the board consists of the Director of Finance, and two persons with business and accounting experience, appointed by the Metropolitan Council. All administrative expenses of the Retirement System are paid from funds of the system, and the board issues its own financial statements on an annual basis.

The Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing to:

Horace Elkins  
Retirement Administrator  
Employees' Retirement System  
City of Baton Rouge, Parish of East Baton Rouge  
P.O. Box 1471  
Baton Rouge, Louisiana 70821-1471

The Retirement System reports its financial activities under the provisions of GASB Statement No. 25, Financial Reporting for Defined contribution Plans. All required disclosures are included in their separately issued report.

**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

Any person who becomes a regular full-time employee of the District becomes a member of the Retirement System as a condition of employment. An employee's benefit rights vest after the employee has been a member of the Retirement System for 12 years. Benefit payments are classified into two distinct categories: full retirement benefits and minimum eligibility benefits. Full retirement benefits are granted with 25 years service, regardless of age while minimum eligibility benefits are granted at age 55 with 10 years of service, or 20 years of service, regardless of age. Full retirement benefits are defined as 3% of average compensation times the number of years of service while minimum eligibility benefits are defined as 2.5% of average compensation times the number of years of service. Average compensation is determined by the highest average compensation in 36 consecutive months. Benefits paid to employees shall not exceed 90% of average compensation. Benefits are reduced by 3% for each year below age 55, if service is less than 25 years.

During 1997, the District contributed \$30,236 and the employees contributed \$15,919 on payroll of \$199,918, plus State Supplemental pay of \$12,628.

**NOTE 9-LEASES**

The District records items under capital leases as an asset and an obligation in the accompanying financial statements. The following is an analysis of capital leases:

Type	Amount Recorded
Equipment	\$109,281

The following is a schedule of future minimum lease payments under the capital lease, together with the present value of the net minimum lease payments, as of December 31, 1997:

Fiscal Year	Amount
1998	17,107
Less: Amount representing interest	( 1,257)
	-----
Present value of net minimum lease payments	\$ 15,850
	=====

**NOTE 10-LONG-TERM DEBT**

A summary of the general long-term obligation of the District is as follows:

Balance	Balance
---------	---------



**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	Beginning of Year	Additions	Deletions	End of Year
Capital lease	\$ 30,536	\$ -	\$ 14,686	\$ 15,850
Compensated absences	45,478	-	2,071	43,407
	-----	-----	-----	-----
	\$ 76,014	\$ -	\$ 16,757	\$ 59,257
	=====	=====	=====	=====

**NOTE 11-POSTEMPLOYMENT BENEFITS**

District employees are eligible to continue participation in the City of Baton Rouge and Parish of East Baton Rouge health, dental, and life insurance programs upon retirement.

Employees are offered their choice of two health maintenance organizations or an indemnity plan for health benefits. Employees may also participate in the indemnity plan for dental benefits. Upon retirement, the employee may continue their coverage with the same benefits payable to active employees. The minimum premium plan is funded with employees and retirees contributing 38% of the premium and the District contributing 62% of the premium. Retirees may continue coverage in accordance with Parish Resolution 10179 adopted by the Parish Council on December 13, 1972.

The District does not have any retirees as of December 31, 1997, and therefore, has no estimated expenditures/expenses for postretirement health and dental benefits.

In accordance with City Resolution 5942 and Parish Resolution 12478 adopted by the respective councils on April 14, 1976, all District employees who retire after May 1, 1976, have \$3,000 of term life insurance coverage. As noted above, the District has no retirees and, therefore, no coverage was in effect.

The cost of this insurance is paid by the District through an actuarially determined monthly assessment of 70 cents per active employee.

**NOTE 12-DEFERRED COMPENSATION PLAN**

The District participates in The National Association of Counties (NACO) Deferred Compensation Program, which is a cost-sharing multiple-employer public employee deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future periods. Participation in the plan is optional. The deferred compensation is not available to employees until termination, death, or unforeseeable emergency. All amounts

**DISTRICT SIX FIRE PROTECTION DISTRICT  
PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

of compensation deferred under the plan, all property and rights purchased with those amounts are (until paid or made available to the employee or other beneficiary) solely the property and right of the District, subject only to the claims of the District's general creditors. Participant's rights under the plan are equal to those of general creditors of the District in amounts equal to the fair market value of their deferred accounts.

It is the opinion of the State's Attorney General that the District has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary investor. The District believes that it is unlikely that it will use the assets to satisfy the claims of the general creditors in the future.

Investments are managed by the plan's trustee, who provides certain options. The choice of investment options is made by the participants.

**NOTE 13-COMPENSATION PAID TO COMMISSION MEMBERS**

The following is a list of commission members appointed for the year ended December 31, 1997. The commission members did not receive any compensation for their service on the board of District Six Fire Protection District during the year ended December 31, 1997.

Chris Medine, chairman  
Harold Christopher, vice-chairman  
Reginald Higgins, commissioner  
Rusty Jones, commissioner  
Donald Yelverton, commissioner



ROY HEBERT  
CERTIFIED PUBLIC ACCOUNTANT

RECEIVED

MAR 27 1998

MEMBER OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

7523 JEFFERSON HIGHWAY  
BATON ROUGE, LOUISIANA 70806  
(504) 927-7555

LEGISLATIVE AUDITOR

Mr. Chris Medine, Chairman  
and Members of the Board of Commissioners  
District Six Fire Protection District  
7878 Prescott Road  
Baton Rouge, Louisiana 70812

In planning and performing my audit of the financial statements of District Six Fire Protection District (the "District"), I considered the District's compliance with laws and regulations to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on compliance with laws and regulations.

However, during my audit, I noted a matter involving the District's compliance with laws and regulations that is presented for your consideration. (I have previously reported on the District's compliance with laws and regulations in my report dated February 24, 1998.) This letter does not affect my report dated February 24, 1998, on the financial statements.

I will review the status of this comment during my next audit engagement. My comment and recommendation, which have been discussed with management, are intended to improve the District's compliance with laws and regulations. I will be pleased to discuss this comment in further detail at your convenience. My comment is as follows:

#### Budgetary authority and control

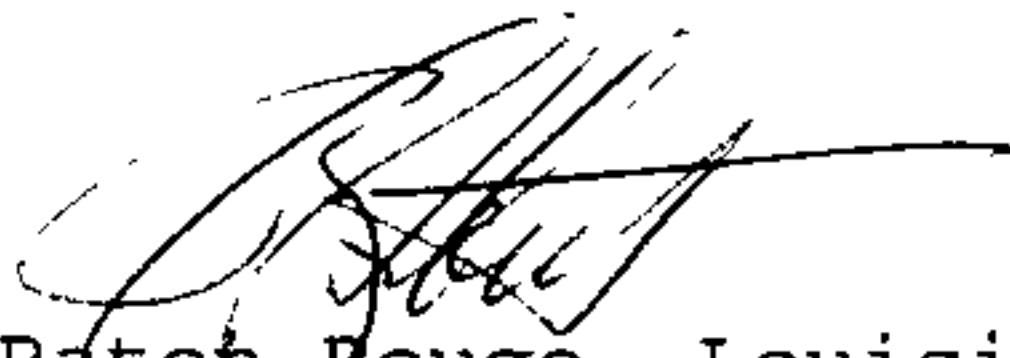
Louisiana Revised Statute 39:1310 requires the administrative officer of the District to advise the Commission in writing when the total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent (5%) or more. The District's actual expenditures in the general fund for the year exceeded the total budgeted by \$28,570 or 5.65%. The District's actual expenditures in the special revenue fund for the year exceeded the total budgeted by \$7,090 or 12.29%.

I recommend that the District monitor its total expenditures and total revenues to insure compliance with the above cited authority. In the future, it may be more prudent to adopt a budget amendment than to adhere to budgeted numbers which may not be attainable.

I wish to thank the Chief and Assistant Chief for their support and cooperation during my audit.

This report is intended for the information of the management of

District Six Fire Protection District, the consolidated government of the City of Baton Rouge and Parish of East Baton Rouge, and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'J. H. ...', written over a horizontal line.

Baton Rouge, Louisiana  
February 24, 1998