

RECEIVED
LEGISLATIVE AUDITOR

2000 JAN -3 AM 9:39

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

AVOYELLES FIRE PROTECTION DISTRICT #2

MANSURA, LOUISIANA

FINANCIAL STATEMENTS

JUNE 30, 1999

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 FEB 09 2000

FEB 09 2000

TABLE OF CONTENTS

	PAGE (S)
INDEPENDENT AUDITOR'S REPORT	2 - 3
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS	4
COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPE	5
COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND	6
NOTES TO FINANCIAL STATEMENTS	7 - 11
OTHER REPORTS:	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	13 - 14
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS ISSUED BY THE GAO	15 - 16
MANAGEMENT LETTER	17
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	18
MANAGEMENT'S CORRECTIVE ACTION PLAN	19



Juanita DeVillier Brouillette

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

December 21, 1999

Board of Commissioners
Avoyelles Fire Protection District #2
Mansura, Louisiana

I have audited the accompanying general purpose financial statements for the general fund of the Avoyelles Fire Protection District #2, Mansura, Louisiana, a component unit of the Avoyelles Parish Police Jury, as of June 30, 1999, and for the year then ended. These general purpose financial statements are the responsibility of the management of the Avoyelles Fire Protection District #2. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

Except as discussed in the following paragraph, I conducted the audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Louisiana Governmental Audit Guide. 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 financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue. Avoyelles Fire Protection District #2 has included such disclosures in Note 5. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable

318-346-9468 ° 1230 Hwy 71 South ° Post Office Box 153 ° Bunkie, La. 71322

Board of Commissioners
December 21, 1999
Page 2

until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the District's disclosures with respect to the year 2000 issue made in Note 5. Further, I do not provide assurance that the District is or will be year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with which the District does business will be 2000 ready.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had I been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Avoyelles Fire Protection District #2, Mansura, Louisiana, as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.



JUANITA D. BROUILLETTE
CERTIFIED PUBLIC ACCOUNTANT

**AVOYELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA**

COMBINED BALANCE SHEET - ALL FUND TYPES
AND ACCOUNT GROUPS
JUNE 30, 1999

	<u>GOVERNMENTAL FUND TYPE</u>	<u>ACCOUNT GROUP</u>	<u>TOTALS MEMORANDUM ONLY</u>
ASSETS	<u>GENERAL</u>	<u>GENERAL FIXED ASSETS</u>	
Cash	\$183,479		\$183,479
Buildings		\$ 26,002	26,002
Equipment	<u> </u>	<u>82,789</u>	<u>82,789</u>
Total Assets	\$183,479 =====	\$108,791 =====	\$292,270 =====
LIABILITIES AND FUND EQUITY			
LIABILITIES			
Accounts payable	\$ 4,160		\$ 4,160
Due to subdistricts	<u>137,935</u>	<u>-0-</u>	<u>137,935</u>
Total Liabilities	<u>\$142,095</u>	<u>\$ -0-</u>	<u>\$142,095</u>
FUND EQUITY			
Investment in Fixed Assets		\$108,791	\$108,791
Fund balance- Unreserved	<u>\$ 41,384</u>	<u> </u>	<u>41,384</u>
Total Fund Equity	<u>\$ 41,384</u>	<u>\$108,791</u>	<u>\$150,175</u>
Total Liabilities and Fund Equity	\$183,479 =====	\$108,791 =====	\$292,270 =====

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

**AVOYELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA**

STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPE
YEAR ENDED JUNE 30, 1999

	<u>General Fund</u>
REVENUE	
Ad Valorem Taxes	\$224,874
State Revenue Sharing	78,087
State Grant	30,243
Interest	<u>3,856</u>
Total Revenue	\$337,060
EXPENDITURES	
Capital Outlay:	\$ 33,327
Current:	
Distribution to Sub-Districts	282,934
Accounting and bookkeeping	6,110
Insurance	1,609
Instructional materials	10,513
Repairs and maintenance	<u>2,523</u>
Total Expenditures	<u>\$337,016</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ 44
FUND BALANCE, Beginning of year	<u>41,340</u>
FUND BALANCE, End of year	\$ 41,384 =====

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

**AVOYELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA**

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE- GENERAL FUND - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 1999

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable <u>(Unfavorable)</u>
REVENUE			
Ad Valorem Taxes	\$213,723	\$224,874	\$ 11,151
State Revenue Sharing	81,681	78,087	(3,594)
State Grant	-0-	30,243	30,243
Interest	<u>3,334</u>	<u>3,856</u>	<u>522</u>
Total Revenue	\$298,738	\$337,060	\$ 38,322
EXPENDITURES			
Capital Outlay:	\$ 1,724	\$ 33,327	\$ (31,603)
Current:			
Distribution to Sub-Districts	\$275,404	\$282,934	\$ (7,530)
Accounting	6,110	6,110	-0-
Insurance	2,000	1,609	391
Instructional materials	11,000	10,513	487
Repairs and maintenance	<u>2,500</u>	<u>2,523</u>	<u>(23)</u>
Total Expenditures	\$298,738	\$337,016	(38,278)
EXCESS OF REVENUE OVER EXPENDITURES	-0-	\$ 44	\$ 44
FUND BALANCE, Beginning of year	<u>41,340</u>	<u>41,340</u>	<u>-0-</u>
FUND BALANCE, End of year	41,340 =====	\$ 41,384 =====	\$ 44 =====

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

AVOYELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Avoyelles Fire Protection District #2 conform to generally accepted accounting principles as applicable to governments. The following is a summary of significant policies:

A. FINANCIAL REPORTING ENTITY

The Fire Protection District #2 of the Parish of Avoyelles, State of Louisiana (the "District") is a political subdivision within the Parish of Avoyelles, State of Louisiana, comprising and embracing all of that territory within the boundaries of the Parish of Avoyelles, less and except that territory within the boundaries of Ward One of the Parish as those boundaries are presently constituted. The District was created by resolution of the Avoyelles Parish Policy Jury on July 10, 1990 for the purpose of collecting and disbursing the ad valorem taxes raised and to monitor the expenditures of each subdistrict, and to engage in any lawful activity as provided under Article 40 of the Revised Statutes of the State of Louisiana. The District is a political subdivision of the Avoyelles Parish Police Jury who maintains fiscal and budgetary control over the district. The basic operations of the district are financed by ad valorem taxes levied by the Police Jury and state revenue sharing received from the State through the Avoyelles Parish Sheriff's Office. The District is governed by a Board of Commissioners consisting of ten members.

B. FUND ACCOUNTING

The accounts of the Fire Protection District #2 are organized on basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures, or expenses, as appropriate. The various funds are grouped in the financial statements of this report, into generic fund types and account groups. The fund type used by the District is the governmental fund type. The account group used by the District is the general fixed assets account group.

AVOYELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues, interest, and other receipts that are not allocated by law or contractual agreement to some fund are accounted for in this fund, and all general operating expenditures are paid through this fund.

General Fixed Assets - The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Accounts Group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair value on the date donated. At June 30, 1999 there were no donated fixed assets.

D. MEASUREMENT FOCUS\BASIS OF ACCOUNTING

Measurement focus refers to which is being measured; basis of accounting of refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing the measurement made, regardless of the measurement focus applied. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets

AVOUELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

and current liabilities generally are included in the balance sheet. Operating statements of these funds present increases from revenues and other financing sources and decreases from expenditures and other financial uses in net current assets.

The modified accrual basis of accounting is followed by the governmental fund type used by the District. Under the modified accrued basis of accounting, revenues are recorded when they become both measurable and available. Available means collectible within the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.

Revenues from local sources consist primarily of property taxes and state revenue sharing. Property tax revenues and revenue sharing are recognized under the susceptible to accrual concept in accordance with Governmental Accounting Standard Board pronouncements. Interest earnings are recorded as earned since they are measurable and available. Miscellaneous revenues are recorded as revenue when received because they are generally not measurable until actually received.

F. BUDGETS

The Louisiana Local Government Budget Act requires that a budget be adopted for the general fund and any special revenue fund. The Treasurer prepares an annual budget which is presented for adoption by the Board of Directors.

F. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**AVOYELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 2: CASH

At June 30, 1999 the Fire District's cash per the Bank totaled \$183,479. This cash is held in an interest-bearing checking account. Under state law, this cash on deposit must be secured by Federal Deposit Insurance or by the pledge of securities owned by the Bank. At June 30, 1999 there was sufficient Federal Deposit Insurance and pledged securities as follows:

<u>Security and Collateral Pledged:</u>		
FDIC Insurance	\$100,000	
Market Value of Pledged Collateral	<u>149,654</u>	
Total		\$249,654
Total Cash at June 30, 1999		<u>183,479</u>
Excess of Security and Collateral Over Deposits		\$ 66,175 =====

NOTE 3: GENERAL FIXED ASSETS

Changes in general fixed assets during the year are as follows:

	BALANCE BEGINNING <u>OF YEAR</u>	<u>ADDITIONS</u>	BALANCE END <u>OF YEAR</u>
Buildings	\$26,002	\$ -0-	\$26,002
Equipment	<u>\$49,462</u>	<u>\$33,327</u>	<u>\$82,789</u>
Total	\$75,464 =====	\$33,327 =====	\$108,791 =====

NOTE 4: PROPERTY TAX

Property taxes are levied on all real estate and all tangible personal property used in businesses within the boundaries of Fire Protection District #2. Property taxes are levied in October of each year, and are due and payable by December 31 of that same year. Taxes not paid by December 31 become delinquent and is subject to penalty and interest. Taxes not paid by May of the following year are sold at Sheriff sale for payment of the taxes.

**AVOYELLES FIRE PROTECTION DISTRICT #2
MANSURA, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999

NOTE 5: YEAR 2000 ISSUE

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the District's operations as early as 1999.

The District has no computer systems. They have completed an inventory of equipment and have identified no electronic components in other equipment that may be affected by the year 2000 issue and that are necessary to conducting the District's operations. There are no financial resources dedicated to make equipment year 2000 compliant because management has not identified any such equipment. Although no electronic equipment has been identified, management cannot provide assurance that there are no electronic components contained in its operating equipment. It is unknown as of June 30, 1999, what effects, if any, failing to remediate any such systems, should there be any, will have upon the District's operations.

Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the District is or will be year 2000 ready, that the District's remediation efforts will be successful in whole or in part, or that parties with whom the District does business will be year 2000 ready.

NOTE 6: BOARD OF DIRECTORS AND PER DIEM PAYMENTS

The Avoyelles Fire Protection District #2 is governed by a Board of Directors composed of ten members, who serve without pay.

Board members and compensation are as follows:

NAME	COMPENSATION
Joseph Frank - President	-0-
Robert Lemoine - Vice-President	-0-
Don Brevelle	-0-
P J Chatelain	-0-
John Eric Lemoine	-0-
Ray Ponthier	-0-
Gerald Riche'	-0-
Eric Roberts	-0-
Tommy Simon	-0-
Herbert Thompson, Jr.	-0-

OTHER REPORTS



Juanita DeVillier Brouillette

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT
CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

December 21, 1999

Board of Commissioners
Avoyelles Fire Protection District #2
Mansura, Louisiana

I have audited the general purpose financial statements of the Avoyelles Fire Protection District #2, Mansura, Louisiana, a component unit of the Avoyelles Parish Police Jury, for the year ended June 30, 1999, and have issued my report thereon dated December 21, 1999.

I conducted the 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.

In planning and performing the audit of the general purpose financial statements of the Avoyelles Fire Protection District #2, Mansura, Louisiana for the year ended June 30, 1999, I considered its internal control structure in order to determine the auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the Avoyelles Fire Protection District #2, Mansura, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

318-346-9468 ° 1230 Hwy 71 South ° Post Office Box 153 ° Bunkie, La. 71322

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.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

Cash Receipts/Revenue Cash Disbursements/Expenditures
Property and Equipment

For all of the control categories listed above, 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended solely for the use of management and the Board of Commissioners. This restriction is not intended to limit the distribution of this report, which, upon acceptance of the Avoyelles Fire Protection District #2, Mansura, Louisiana, is a matter of public record.



JUANITA D. BROUILLETTE
CERTIFIED PUBLIC ACCOUNTANT



Juanita DeVillier Brouillette

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS ISSUED BY THE GAO

December 21, 1999

Board of Commissioners
Avoyelles Fire Protection District #2
Mansura, Louisiana

I have audited the general purpose financial statements of the Avoyelles Fire Protection District #2, Mansura, Louisiana, a component unit of the Avoyelles Parish Police Jury, as of and for the year ended June 30, 1999 and have issued my report thereon dated December 21, 1999.

I conducted the 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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Avoyelles Fire Protection District #2, Mansura, Louisiana is the responsibility of the Fire Protection 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 Fire Protection District's compliance with certain provisions of laws, regulations, contracts, and grants. However, it should be noted that the objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

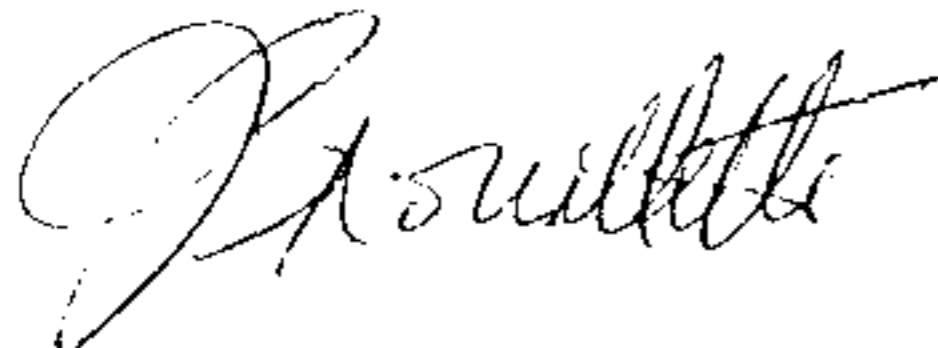
The results of the tests indicate that, with respect to the items tested, Avoyelles Fire Protection District #2, Mansura, Louisiana complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested,

318-346-9468 ° 1230 Hwy 71 South ° Post Office Box 153 ° Bunkie, La. 71322

Board of Commissioners
December 21, 1999
Page 2

nothing came to my attention that caused me to believe that the Avoyelles Fire Protection District #2, Mansura, Louisiana had not complied, in all material respects, with those provisions. I noted certain immaterial instances of noncompliance that I have reported to the management of the Avoyelles Fire Protection District #2 in a separate letter dated December 21, 1999.

This report is intended for the information of management. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



JUANITA D. BROUILLETTE
CERTIFIED PUBLIC ACCOUNTANT



Juanita DeVillier Brouillette

Certified Public Accountant

December 21, 1999

Board of Commissioners
Avoyelles Fire Protection District #2
Mansura, Louisiana 71350

In planning and performing the audit of the general purpose financial statements of the Avoyelles Fire Protection District #2, a component unit of the Avoyelles Parish Police Jury, for the year ended June 30, 1999, I considered the organization's internal control structure to determine the auditing procedures for the purpose of expressing an opinion of the financial statements and not to provide assurance on the internal control structure.

However, during the audit I became aware of certain matters that are opportunities for strengthening internal controls, operating efficiency, and/or compliance with laws and regulations. This letter summarizes my comments and suggestions regarding these matters.

I previously reported on the organization's internal control structure in my report dated December 21, 1999. This letter does not affect my report dated December 21, 1999, on the general purpose financial statements of the Avoyelles Fire Protection District #2.

Year 2000 Issue

Condition: The year 2000 issue is the result of shortcomings in electronic equipment that may adversely affect the District's operations as early as 1999.

Recommendation: Although the inventory of the District's operating equipment identified no electronic components contained in the equipment necessary to conducting the District's operations, I recommend that all operating equipment be tested in early January 2000 to assure that it functions properly.

Compliance with Laws and Regulations - Amending the Budget

Condition: Louisiana Revised Statute LSA-RS 39:1310 states that when revenue fails to meet, or expenditures exceed, estimated budgeted amounts within a fund by five percent or more, the budget shall be amended to reflect the change. For the fiscal year ended June 30, 1999, certain items within the general fund meet this criteria.

Recommendation: Management should consider presenting budget comparisons with the monthly financial reports to monitor revenues and expenditures to ensure compliance with budgetary provisions.

I will review the status of these comments during my next audit engagement. I have already discussed these comments and suggestions with officers of the organization, and I will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,

JUANITA D. BROUILLETTE
CERTIFIED PUBLIC ACCOUNTANT

318-346-9468 ° 1230 Hwy 71 South ° Post Office Box 153 ° Bunkie, La. 71322

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

AVOYELLES FIRE PROTECTION DISTRICT #2
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FISCAL YEAR ENDED JUNE 30, 1999

Independent Public Accounting Firm:
Juanita Devillier Brouillette, CPA
Post Office Box 153
Bunkie, Louisiana 71322

Audit period: July 1, 1997 through June 30, 1998

Prior Audit Finding - Management Letter Comment - YEAR 2000 ISSUE
Condition: The year 2000 issue is the result of shortcomings in electronic equipment that may adversely affect the District's operations as early as 1999.
Recommendation: Management should prepare a complete inventory of its operating equipment, identify any electronic equipment necessary to conducting the District's operations and develop a remediation plan for any such equipment.
Management's Corrective Action Plan: Management will complete this process by June 1999.

Current Status of Recommendation: A complete inventory of the District's operating equipment has been taken, and no electronic components have been identified. However, we cannot provide assurance that there are in fact no electronic components in any of the operating equipment, or that all equipment will function properly.

AVOYELLES FIRE PROTECTION DISTRICT #2
MANAGEMENT'S CORRECTIVE ACTION PLAN
FISCAL YEAR ENDED JUNE 30, 1999

The Avoyelles Fire Protection District #2 respectfully submits the following corrective action plan for the fiscal year ended June 30, 1999.

Independent Public Accounting Firm:
Juanita Devillier Brouillette, CPA
Post Office Box 153
Bunkie, Louisiana 71322

Audit period: July 1, 1998 through June 30, 1999

FINDING 001- Management letter comment - YEAR 2000 ISSUE

Year 2000 Issue

Condition: The year 2000 issue is the result of shortcomings in electronic equipment that may adversely affect the District's operations as early as 1999.

Recommendation: Although the inventory of the District's operating equipment identified no electronic components contained in the equipment necessary to conducting the District's operations, I recommend that all operating equipment be tested in early January 2000 to assure that it functions properly.

Management's Response: We agree with the recommendation and will test such equipment prior to its use.

FINDING 002- Management letter comment - AMENDING THE BUDGET

Compliance with Laws and Regulations - Amending the Budget

Condition: Louisiana Revised Statute LSA-RS 39:1310 states that when revenue fails to meet, or expenditures exceed, estimated budgeted amounts within a fund by five percent or more, the budget shall be amended to reflect the change. For the fiscal year ended June 30, 1999, certain items within the general fund meet this criteria.

Recommendation: Management should consider presenting budget comparisons with the monthly financial reports to monitor revenues and expenditures to ensure compliance with budgetary provisions.

Managements Response: We will monitor the actual to budget comparisons more closely in the future to insure that we are in compliance with the provisions of Louisiana Revised Statute LSA-RS 39:1310.