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ALLEN PARISH WARD 3 FIRE PROTECTION  
DISTRICT NO. 2

A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
GENERAL PURPOSE FINANCIAL REPORT  
For the Year Ended July 31, 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

**DEC 01 1999**

Release Date \_\_\_\_\_

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Mires & Company  
A Professional Corporation

Certified Public Accountants

Members:  
American Institute of Certified Public Accountants  
Society of Louisiana Certified Public Accountants  
Private Company Practice Section AICPA

Board of Commissioners  
Allen Parish Ward 3 Fire Protection  
District No. 2  
A Component Unit of the Allen Parish Police Jury  
Reeves, Louisiana

We have compiled the accompanying general purpose financial statements of the Allen Parish Ward 3 Fire Protection District No. 2, a component unit of the Allen Parish Police Jury, as of and for the year ended July 31, 1999, as listed in the table of contents, and the accompanying supplementary information, which are presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management of Allen Parish Ward 3 Fire Protection District No. 2. We have not audited or reviewed the accompanying general purpose financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated November 8, 1999, on the results of our agreed-upon procedures.

*Mires & Company, CPAs, APC*

Mires & Company, CPA's, APC  
November 8, 1999

GENERAL PURPOSE FINANCIAL STATEMENTS

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
ALL FUND TYPES AND ACCOUNT GROUPS  
BALANCE SHEET  
July 31, 1999

	<u>GOVERNMENTAL FUNDS</u>	
	<u>General</u>	<u>Debt</u>
	<u>Fund</u>	<u>Service</u>
		<u>Fund</u>
ASSETS AND OTHER DEBITS		
Assets:		
Cash . . . . .	\$ 86,294	\$ 47,320
Due from other fund . . . . .	-	2,256
Other assets . . . . .	685	-
Land, building, & equipment . . . . .	-	-
Other Debits:		
Amount available in Debt Service Fund . . . . .	-	-
Amount to be provided for retirement of general long-term obligations . . . . .	-	-
	<u>-</u>	<u>-</u>
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 86,979</u>	<u>\$ 49,576</u>
LIABILITIES, EQUITY, AND OTHER CREDITS		
Liabilities:		
Due to other fund . . . . .	\$ 2,256	\$ -
Bonds payable . . . . .	-	-
	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>2,256</u>	<u>-</u>
Equity & Other Credits:		
Investment in general fixed assets . . . . .	-	-
Fund balances:		
Reserved for debt service . . . . .	-	49,576
Unreserved - undesignated . . . . .	84,723	-
	<u>84,723</u>	<u>-</u>
TOTAL EQUITY AND OTHER CREDITS	<u>84,723</u>	<u>49,576</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 86,979</u>	<u>\$ 49,576</u>

See accompanying notes and accountants' report.

<u>ACCOUNT GROUPS</u>		
<u>General Fixed Assets</u>	<u>General Long-Term Obligations</u>	<u>TOTAL (Memorandum Only)</u>
\$ -	\$ -	\$ 133,614
-	-	2,256
-	-	685
549,548	-	549,548
-	49,576	49,576
-	<u>144,424</u>	<u>144,424</u>
<u>\$ 549,548</u>	<u>\$ 194,000</u>	<u>\$ 880,103</u>
\$ -	\$ -	\$ 2,256
-	<u>194,000</u>	<u>194,000</u>
-	<u>194,000</u>	<u>196,256</u>
549,548	-	549,548
-	-	49,576
-	-	<u>84,723</u>
<u>549,548</u>	<u>-</u>	<u>683,847</u>
<u>\$ 549,548</u>	<u>\$ 194,000</u>	<u>\$ 880,103</u>

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
For the Year Ended July 31, 1999

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>TOTAL (Memorandum Only)</u>
<b>REVENUES</b>			
Ad valorem taxes . . . . .	\$ 37,416	\$ 30,838	\$ 68,254
Interest . . . . .	1,164	1,119	2,283
Intergovernmental . . . . .	3,400	-	3,400
Miscellaneous . . . . .	52	-	52
TOTAL REVENUES	<u>42,032</u>	<u>31,957</u>	<u>73,989</u>
<b>EXPENDITURES</b>			
Advertising . . . . .	207	-	207
Bookkeeping . . . . .	1,900	-	1,900
Insurance . . . . .	10,057	-	10,057
Insurance - workmen's comp. . . . .	1,077	-	1,077
Kitchen . . . . .	196	-	196
Legal & professional . . . . .	1,850	-	1,850
Medical . . . . .	617	-	617
Office supplies . . . . .	311	-	311
Per diem . . . . .	1,425	-	1,425
Promotion . . . . .	821	-	821
Radio . . . . .	991	-	991
Repairs & maintenance . . . . .	10,592	-	10,592
Sewer fee . . . . .	132	-	132
Training . . . . .	333	-	333
Utilities . . . . .	2,940	-	2,940
Capital outlay . . . . .	2,429	-	2,429
Debt service:			
Principal retirement . . . . .	-	19,000	19,000
Interest . . . . .	-	11,183	11,183
Paying agent fees . . . . .	-	553	553
TOTAL EXPENDITURES	<u>35,878</u>	<u>30,736</u>	<u>66,614</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES . . . . .</b>	<b>6,154</b>	<b>1,221</b>	<b>7,375</b>
<b>FUND BALANCES AT BEGINNING OF YEAR . . . . .</b>	<b><u>78,569</u></b>	<b><u>48,355</u></b>	<b><u>126,924</u></b>
<b>FUND BALANCES AT END OF YEAR</b>	<b><u>\$ 84,723</u></b>	<b><u>\$ 49,576</u></b>	<b><u>\$ 134,299</u></b>

See accompanying notes and accountants' report.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
GOVERNMENTAL FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended July 31, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Ad valorem taxes . . . . .	\$ 33,000	\$ 37,416	\$ 4,416
Interest . . . . .	-	1,164	1,164
Intergovernmental . . . . .	3,400	3,400	-
Miscellaneous . . . . .	-	52	52
TOTAL REVENUES	<u>36,400</u>	<u>42,032</u>	<u>5,632</u>
<b>EXPENDITURES</b>			
Advertising . . . . .	300	207	93
Bank charges . . . . .	100	-	100
Bookkeeping . . . . .	1,900	1,900	-
Insurance . . . . .	13,056	10,057	2,999
Insurance - workmen's comp. . . . .	1,300	1,077	223
Kitchen . . . . .	500	196	304
Legal & professional . . . . .	2,000	1,850	150
Medical . . . . .	500	617	(117)
Office supplies . . . . .	600	311	289
Per diem . . . . .	1,800	1,425	375
Promotion . . . . .	500	821	(321)
Radio . . . . .	1,300	991	309
Repairs and maintenance . . . . .	3,700	10,592	(6,892)
Sewer fee . . . . .	144	132	12
Training . . . . .	1,500	333	1,167
Utilities . . . . .	2,800	2,940	(140)
Capital outlay . . . . .	4,400	2,429	1,971
TOTAL EXPENDITURES	<u>36,400</u>	<u>35,878</u>	<u>522</u>
<b>EXCESS (DEFICIENCY ) OF REVENUES OVER EXPENDITURES . . . . .</b>	<b>-</b>	<b>6,154</b>	<b>6,154</b>
<b>FUND BALANCE AT BEGINNING OF YEAR . . . . .</b>	<b><u>78,569</u></b>	<b><u>78,569</u></b>	<b><u>-</u></b>
<b>FUND BALANCE AT END OF YEAR</b>	<b><u>\$ 78,569</u></b>	<b><u>\$ 84,723</u></b>	<b><u>\$ 6,154</u></b>

See accompanying notes and accountants' report.



ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
NOTES TO FINANCIAL STATEMENTS  
July 31, 1999

INTRODUCTION

Allen Parish Ward 3 Fire Protection District No. 2 was created under the provisions of Louisiana Revised Statutes 40:1492-1501, for the purpose of providing fire protection for the people of Ward 3 of Allen Parish. The District is governed by a board of commissioners composed of five members, compensated on a per diem basis and appointed by the Allen Parish Police Jury. The District utilizes volunteer firemen.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying general purpose financial statements of the Allen Parish Ward 3 Fire Protection District No. 2 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

The District is a component unit of the Allen Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the District because it appoints a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. Fund Accounting

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

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

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include:

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
NOTES TO FINANCIAL STATEMENTS  
July 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. General Fund--the general operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.
2. Debt Service Fund--accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes and interest revenue.

E. Budget

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

The District does not use encumbrance accounting.

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
NOTES TO FINANCIAL STATEMENTS  
July 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

H. Compensated Absences

The District has no paid employees therefore there is no leave policy.

I. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

J. Fund Equity

**Reserves**

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

K. Total Columns on Statements

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

NOTE 2 - CASH AND CASH EQUIVALENTS

At July 31, 1999, the District has cash and cash equivalents (book balances) totaling \$133,614 as follows:

Demand deposits . . . . .	\$ -
Interest-bearing demand deposits . . . . .	133,614
Time deposits . . . . .	-
Other . . . . .	-
Total	<u>\$ 133,614</u>

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
 A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
 NOTES TO FINANCIAL STATEMENTS  
 July 31, 1999

NOTE 2 - CASH AND CASH EQUIVALENTS

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At July 31, 1999, the District has \$134,425 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance and \$34,425 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 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 District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 - AD VALOREM TAXES

For the year ended July 31, 1999 taxes of 9.96 mills were levied on property with assessed valuations totaling \$7,411,570, and were dedicated as follows:

Maintenance . . . . .	5.46 mills
Bond sinking . . . . .	4.50 mills

Total taxes levied were \$71,151.

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

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance <u>08/01/98</u>	(Deletions) <u>Additions</u>	Balance <u>07/31/99</u>
Land . . . . .	\$ 14,007	\$ -	\$ 14,007
Equipment . . . . .	376,551	2,429	378,980
Building . . . . .	156,561	-	156,561
TOTAL	<u>\$ 547,119</u>	<u>\$ 2,429</u>	<u>\$ 549,548</u>

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
 A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
 NOTES TO FINANCIAL STATEMENTS  
 July 31, 1999

NOTE 5 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

A. Debt Outstanding

The following is a summary of the long-term obligation transactions during the year:

	<u>Bonded</u> <u>Debt</u>
Long-term obligations payable at 07/31/98 . . .	\$ 213,000
Additions . . . . .	-
Deductions . . . . .	<u>19,000</u>
Long-term obligations payable at 07/31/99 . . .	<u>\$ 194,000</u>

General obligation bonds are comprised of the following individual issue:

\$232,000 General Obligation Refunding bonds dated 8/1/97; due in annual installments of \$19,000 - \$29,000 through February 1, 2007; interest at 5.25% (this issue secured by levy and collection of ad valorem taxes).....\$194,000

The annual requirements to amortize all bonds outstanding at July 31, 1999, including interest of \$48,039 are as follows:

<u>Year Ending July 31,</u>	<u>Total</u>
2000 . . . . .	\$ 31,185
2001 . . . . .	30,083
2002 . . . . .	31,980
2003 . . . . .	29,720
2004 . . . . .	31,513
Thereafter . . . . .	<u>87,558</u>
	<u>\$ 242,039</u>

NOTE 6 - RISK MANAGEMENT

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

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
NOTES TO FINANCIAL STATEMENTS  
July 31, 1999

NOTE 7 - CURRENT REFUNDING OF GENERAL OBLIGATION BONDS

On August 11, 1997, the District defeased its General Obligation Bonds dated July 1, 1987 with an outstanding balance of \$355,000. This was accomplished by the issuance of \$232,000 of General Obligation Refunding Bonds and use of cash from the Debt Service Fund. This refunding was undertaken to take advantage of lower interest rates and to reduce total future debt service payments. The transaction resulted in an economic gain of approximately \$45,000 and a reduction of approximately \$95,000 in future debt service payments.

NOTE 8 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There are a number of limitations and restrictions contained in the bond indenture. The District is in compliance with all significant limitations and restrictions. No material violations of finance related, legal and contractual provisions occurred for the year ended July 31, 1999.

SUPPLEMENTAL INFORMATION SCHEDULES

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
SUPPLEMENTAL INFORMATION SCHEDULE  
July 31, 1999

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As provided by Louisiana Revised Statute 40:1498, each commissioner may receive \$25 per diem for attending regular and special monthly meetings.

See accountants' report.



ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
 A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
 SUPPLEMENTAL INFORMATION SCHEDULE  
 SCHEDULE OF COMPENSATION PAID BOARD MEMBERS  
 July 31, 1999

<u>NAME</u>	<u>NUMBER OF MEETINGS</u>	<u>AMOUNT</u>
Carl Ritter	11	\$ 225
Fred Ritter	12	300
Tim Reeves	10	250
Randy Burnett	4	100
Luther Miller	11	275
Rusty Reeves, Fire Chief	11	275
Total		<u>\$ 1,425</u>

See accountants' report.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
SUPPLEMENTAL INFORMATION SCHEDULE  
YEAR 2000 ISSUE  
July 31, 1999

The District's accounting system is computerized and is Year 2000 compliant. The District does not have any equipment or devices that could be affected by the Year 2000 issue.

See accountants' report.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
SUPPLEMENTAL INFORMATION SCHEDULE  
MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS  
July 31, 1999

**AGREED-UPON PROCEDURES FINDINGS:**

*Budgeting:*

#6 - The District will take all actions necessary to comply with the  
Local Government Budget Act, LSA-RS 39:1301-14 in the future.

Contact person - Fred Ritter, Vice-President

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2  
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY  
SUPPLEMENTAL INFORMATION SCHEDULE  
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
July 31, 1999

**AGREED-UPON PROCEDURES:**

*Budgeting:*

#6 - District did not complete all action necessary to adopt and implement the budget by the end of its prior fiscal year which ended July 31, 1997.

Corrective action taken - No

*Meetings:*

#9 - Agenda of meetings not posted.

Corrective action taken - Yes

*Other Matters:*

98-1 - Sale of public property without advertising.

Corrective action taken - Yes

See accountants' report.



Mires & Company  
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INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners  
Allen Parish Ward 3 Fire Protection  
District No. 2  
A Component Unit of the Allen Parish Police Jury  
Reeves, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Allen Parish Ward 3 Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Allen Parish Ward 3 Fire Protection District No. 2's compliance with certain laws and regulations during the year ended July 31, 1999 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

We reviewed all disbursements made during the year. There were no expenditures over \$15,000 for materials and supplies, and no expenditures over \$100,000 for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

The District has no paid employees. All firemen are unpaid volunteers.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

See #3 above.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and a copy of the amended budget.

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

We traced the adoption of the original budget to the minutes of a meeting held on August 27, 1998 which indicated that the budget had been adopted by the Commissioners of Allen Parish Ward 3 Fire Protection District No. 2 by an unanimous vote. The District did not complete all action necessary to adopt and implement the budget by the end of its prior fiscal year which ended July 31, 1998.

The budget was amended once during the year. We traced this to a motion to amend the budget to the minutes of a meeting held on October 29, 1998 which was passed with an unanimous vote.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues were not below budgeted amounts by 5% or more. Actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

We found that all payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the chairman of the Board of Commissioners. In addition, each of the disbursements were traced to the District's minute book where they were approved by the full commission.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Allen Parish Ward 3 Fire Protection District No. 2 is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management has asserted that it does post both the notice of the meeting and the agenda. We viewed copies of these notices in the District's files.

Debt

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

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

Advances and Bonuses

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

The District has no paid employees.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report is intended solely for the use of management of the Allen Parish Ward 3 Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Mires & Company, CPAs, APC*

Mires & Company, CPA's, APC  
November 8, 1999

*M & Co.*

LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)

10/28/99 (Date Transmitted)

Mines & Co. CPA's  
1633 Beglis Parkway  
Sulphur, LA, 70663

(Auditors)

In connection with your compilation of our financial statements as of <sup>7/31/99</sup>~~(date)~~ and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes  No



**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes  No

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes  No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes  No

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes  No

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes  No

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u>Jeri Rouse</u>	Secretary	<u>10-18-99</u>	Date
	Treasurer		Date
<u>John A. Ritter</u>	President	<u>10-28-99</u>	Date