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FIRE PROTECTION DISTRICT NO. 1 OF GRANT PARISH

Colfax, Louisiana

REPORT ON COMPONENT UNIT FINANCIAL STATEMENTS As of and For the Year Ended December 31, 1998

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 MAY 05 1999

Grant Parish Fire District No. 1

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For the Year Ended December 31, 1998

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January 29, 1999

Board of Directors
Fire Protection District No. 1
of Grant Parish
Colfax, Louisiana

We have compiled the accompanying balance sheet of the Fire Protection District No. 1 of Grant Parish as of December 31, 1998 and the related statement of revenues, expenditures, and changes in fund balance for the year then ended, and the accompanying supplementary information contained in Schedule of Per Diem paid to board members, which is 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. We have not audited or reviewed the accompanying financial statements and supplementary schedules and accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit the statement of revenues, expenditures, and changes in fund balance - budget and actual and substantially all of the disclosures required by generally accepted accounting principles. If the omitted statement and disclosures were included in the financial statements, they might influence the user's conclusions about the Fire Protection District's financial position and the results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.



ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

-Members-

American Institute of Certified Public Accountants • Society of Louisiana, CPAs

Fire Protection District No. 1 of Grant Parish
Combined Balance Sheet - All Fund Types and Account Groups
December 31, 1998

| | <u>Governmental Fund Type</u> | <u>Account Group</u> | |
|--------------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| | <u>General Fund</u> | <u>General Fixed Assets</u> | <u>Total (Memorandum Only)</u> |
| <u>Assets</u> | | | |
| Assets: | | | |
| Cash | \$ 2,666 | \$ - | \$ 2,666 |
| Accounts receivable | 121,482 | - | 121,482 |
| Property, plant, and equipment | - | 226,875 | 226,875 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Assets | <u>\$ 124,148</u> | <u>\$ 226,875</u> | <u>\$ 351,023</u> |
| <u>Liabilities and Fund Balances</u> | | | |
| Liabilities: | | | |
| Accounts payable | 1,849 | - | 1,849 |
| Accrued expenses | 1,103 | - | 1,103 |
| Total liabilities | <u>2,952</u> | <u>-</u> | <u>2,952</u> |
| Fund Balance: | | | |
| Investment in general fixed assets | - | 226,875 | 226,875 |
| Unreserved fund balance | 121,196 | - | 121,196 |
| Total fund balances | <u>121,196</u> | <u>226,875</u> | <u>348,071</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Liabilities and Fund Balance | <u>\$ 124,148</u> | <u>\$ 226,875</u> | <u>\$ 351,023</u> |

See Accountants' Compilation Report.

***Fire Protection District No. 1 of Grant Parish
 Combined Statement of Revenues, Expenditures, and
 Changes in Fund Balance
 All Governmental Fund Types
 For the Year Ended December 31, 1998***

| | <u>General Fund</u> |
|--|-------------------------|
| Revenues: | |
| Ad valorem taxes and related revenue sharing | \$ 127,328 |
| Fire insurance rebates | 8,138 |
| Interest | 239 |
| Refunds | 1,548 |
| Total revenues | <u>137,253</u> |
| Expenditures: | |
| Salaries and wages | 12,250 |
| Payroll taxes | 2,092 |
| Capital expenditures | 2,925 |
| Debt service | 7,132 |
| Insurance | 15,903 |
| Legal and professional | 6,774 |
| Miscellaneous | 1,030 |
| Office expenses | 1,039 |
| Repairs and maintenance | 8,293 |
| Supplies | 2,244 |
| Telephone | 2,664 |
| Utilities | 2,021 |
| Vehicle expenses | 2,048 |
| Total expenditures | <u>66,415</u> |
| Excess (deficiency) of revenues over expenditures | 70,838 |
| Fund balance - beginning of year | <u>50,358</u> |
| Fund balance - end of year | <u>\$ 121,196</u> |

See Accountants' Compilation Report.

Grant Parish Fire District No. 1
Schedule of Per Diem Paid to Board Members
For the Year Ended December 31, 1998

For the year ended December 31, 1998, no payments were made to members of the governing board.

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January 29, 1999

Fire Protection District No. 1
of Grant Parish
Colfax, Louisiana 71417

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Fire Protection District No. 1 of Grant Parish and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Fire Protection District No. 1 of Grant Parish's compliance with certain laws and regulations during the year ended December 31, 1998, 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 \$7,500, 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).

There were no expenditures made during the year for materials and supplies exceeding \$7,500 and no expenditures were made for public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (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.

Management provided us with the required list.

-Members-

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Grant Parish Fire District No. 1

January 29, 1999

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.

None of the employees included on the list of employees provided by management (agreed-upon procedure (3)) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

There was no budget available for the year ended December 31, 1998.

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

Minutes do not mention adoption of or amendments to the budget.

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.

Since management was unable to provide a legally adopted budget, unfavorable variances have exceeded amounts prescribed by state law.

Accounting and Reporting

8. Randomly select six 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

All of the 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 disbursement indicated that each check was signed by two members of the Board. No further approval was required.

Grant Parish Fire District No. 1
January 29, 1999

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).

The Fire Protection District is only required to post a notice of each meeting and the accompanying agenda on the door of the meeting facility. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.

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 evidence of any deposits which constitute a loan, bond proceeds, 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, advance, or gifts.

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

Our prior year report, dated May 14, 1998, contained a finding for failure to maintain minutes of Board meetings. Refer to Schedule of Prior Year Findings for resolution of this matter.

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 Fire Protection District No. 1 of Grant Parish 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.


ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

Grant Parish Fire District No. 1

Schedule of Prior Year Findings For the Year Ended December 31, 1997

| SECTION I Compilation Report | |
|--|--|
| Finding – There were no findings in connection with the compilation report. | Response – Not applicable. |
| SECTION II Attestation Report | |
| Finding – Management failed to maintain minutes for all Board meetings of the District. | Response – Management is now compiling minutes for all scheduled meetings of the Board. |
| SECTION III Management Letter | |
| Finding – There was no management letter issued with this report. | Response – Not applicable. |

Grant Parish Fire District No. 1

Management's Corrective Action Plan For the Year Ended December 31, 1998

| SECTION I Compilation Report | |
|--|---|
| Finding – Since management did not adopt a budget for the year ended December 31, 1998, the statement of revenues, expenditures, and changes in fund balance – budget and actual was excluded from the accompanying financial statements. | Response – Management has adopted a budget for the year ended December 31, 1999. |
| SECTION II Attestation Report | |
| Finding – State law requires a budget for the general fund; however, no such budget was adopted. Due to the absence of a budget, unfavorable variances have exceeded limits prescribed by state law. | Response – Management has adopted a budget for the year ending December 31, 1999. Furthermore, management intends to monitor the budget to ensure that unfavorable variances do not exceed limits prescribed by state law. |
| SECTION III Management Letter | |
| Finding – There was no management letter issued with this report. | Response – Not applicable. |

LOUISIANA ATTESTATION QUESTIONNAIRE
FOR THE YEAR ENDED DECEMBER 31, 1998

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

1/20/99 (Date Transmitted)

Bozier, Harrington, & McKay CPAs
P.O. Box 12178
Alexandria, LA 71315

(Auditors)

In connection with your compilation of our financial statements as of [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.

Angela Fowler Secretary 1/20/99 Date

Treasurer _____ Date

Randall A. Helms President 1/20/99 Date