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WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
Cotton Valley, Louisiana

**COMPONENT UNIT OF
WEBSTER PARISH POLICE JURY**

GENERAL PURPOSE FINANCIAL STATEMENTS
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 ~~JUL 14 1999~~

WEBSTER PARISH FIRE PROTECTION DISTRICT #8
 WEBSTER PARISH POLICE JURY
 Cotton Valley, Louisiana

General Purpose Financial Statements
 As of and for the year ended December 31, 1998
 With Supplemental Information Schedules

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MEMBERS

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INDEPENDENT AUDITORS' REPORT

To the management of the Webster Parish

Fire Protection District No. 8

Cotton Valley, Louisiana

We have audited the accompanying general purpose financial statements of the Webster Parish Fire Protection District No. 8, a component unit of the Webster Parish Police Jury, as of and for the year then ended December 31, 1998, as listed in the table of contents. These general purpose financial statements are the responsibility of the Webster Parish Fire Protection District No. 8, management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

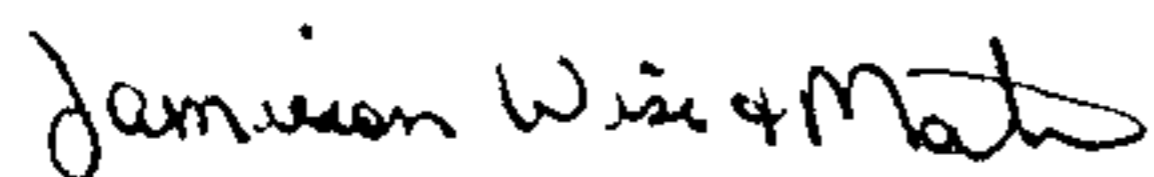
Government Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosures of certain matters regarding the Year 2000 Issue. The Webster Parish Fire Protection District No. 8, has included such disclosures in Note 7. Because of the unprecedented nature of the Year 2000 Issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support Webster Parish Fire Protection District No. 8's disclosures with respect to the Year 2000 Issue made in Note 7. Further, we do not provide assurance that Webster Parish Fire

Protection District No. 8, is or will be Year 2000 ready, that Webster Parish Fire Protection District No. 8's remediation efforts will be successful in whole or in part, or that parties with which Webster Parish Fire Protection District No. 8, does business will be Year 2000 ready.

We were unable to audit the financial statements supporting the financial activities of the general fixed assets account group because no inventory reconciliation to the asset ledger of the District's general fixed assets account was maintained by the District as of December 31, 1998. The general fixed assets account group represented approximately 72% and 0%, of the assets and revenues, respectively, of the general purpose financial statements.

In our opinion, except for the effects of such adjustments, if any, as might have been determined necessary had we been able to examine evidence regarding Year 2000 and general fixed asset account group disclosures, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Webster Parish Fire Protection District No. 8, as of December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated June 28, 1999, on our consideration of the Webster Parish Fire Protection District No. 8's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.



Minden, LA
June 28, 1999

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

To the management of the Webster Parish
Fire Protection District No. 8
Cotton Valley, Louisiana

We have audited the general purpose financial statements of the Webster Parish Fire Protection District No. 8, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 28, 1999, which was qualified because insufficient evidence exists to support the Webster Parish Fire Protection District No. 8's disclosures with respect to the Year 2000 issue and also because of a lack of an inventory reconciliation of the general fixed asset account group. Except as discussed in the preceding sentence, we conducted our audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

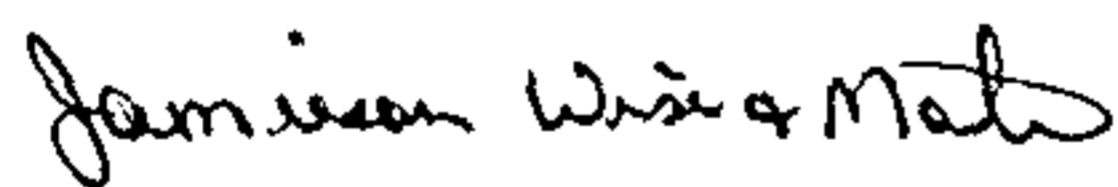
As part of obtaining reasonable assurance about whether Webster Parish Fire Protection District No. 8's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Corrective Action Plan for Current Year Findings as items 98-1. We also noted certain immaterial instances of noncompliance that we have reported to management of Webster Parish Fire Protection District No. 8, in a separate letter dated June 28, 1999.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Webster Parish Fire Protection District No. 8's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Webster Parish Fire Protection District No. 8's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. A reportable condition is described in the accompanying Corrective Action Plan for Current Year Findings as item 98-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider item 98-1 to be a material weakness as defined above. We also noted other matters involving the internal control over financial reporting that we have reported to management of Webster Parish Fire Protection District No. 8, in a separate letter dated June 28, 1999.

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



Minden, Louisiana

June 28, 1999

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MANAGEMENT LETTER

To the management of the Webster Parish
Fire Protection District No. 8
Cotton Valley, Louisiana

We have audited the financial statements of the Webster Parish Fire Protection District No. 8, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 28, 1999.

In connection with our audit, we made certain observations relative to the records maintained, the accounting procedures in effect, and the overall administration of the financial affairs of the district. As a supplement to the reports, we submit for your consideration pertaining to the following observations which did not meet the criteria of being material to the general purpose financial statements.

Internal control items considered non-material to general purpose financial statements.

BUDGET

According to LSA-RS 39:1304-1308, the total of proposed expenditures shall not exceed the total of estimated fund available for the ensuing fiscal year. During the audit, it was noted that the final amended 1998 budget of Webster Parish Fire Protection District did not include a budgeted amount for estimated revenues. By not estimating revenues, the district budgeted a deficit balance in the final 1998 budget. In order to present a complete financial plan for the ensuing fiscal year, and to improve internal controls, we recommend that the District budget amounts for both revenues and expenditures.

According to LSA-RS 39:1310, the adopted budget and authorized amendments constitute the authority to authorize expenditures. During the year, a budget amendment may be required for unfavorable variances in excess of 5% when comparing budget to actual revenues and expenditures. It was noted that the District's actual expenditures for the year ended December 31, 1998, exceeded budgeted amounts by more than 5%. Although the budget was amended during the year, total expenditures in the General Fund exceeded budgeted amounts by 31%. We recommend that the District monitor it's

revenues and expenditures more closely in order to make the necessary amendments to the budget amendments for unfavorable variances noted, as required by LSA-RS 39:1310.

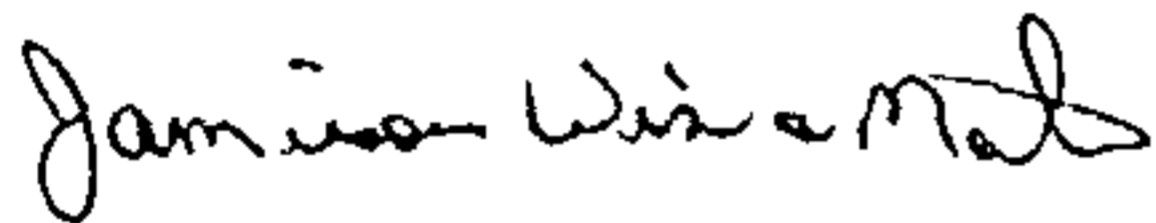
Compliance items considered non-material to general purpose financial statements.

BID LAW

According to LSA-RS 38:2212, purchases of \$7,500, or more, but less than \$15,000, shall be made by obtaining not less than 3 telephone or facsimile quotations. During the audit, we noted that the district obtained no quotes for the purchase of a used vehicle whose cost exceeded \$7,500. In order to comply with LSA-RS 38:2212, we recommend that the district obtain quotes for purchases of materials or supplies exceeding \$7,500 but less than \$15,000. In addition, we recommend that the district maintain quotes received, written confirmations of accepted offers of future purchases, and any supporting detail which will provide evidence of compliance with public bid law.

Prior audit findings have been addressed by the District's management unless included in the above comments. Should you have any questions concerning the contents of this letter or if we can be of any additional service, please contact us at your convenience.

Very truly yours,



Jamieson, Wise & Martin
June 28, 1999

GENERAL PURPOSE FINANCIAL STATEMENTS

WEBSTER PARISH FIRE PROTECTION DISTRICT #8
 WEBSTER PARISH POLICE JURY
 Minden, Louisiana
 Balance Sheet - All Fund Types and Accounts Groups
 December 31, 1998

	<u>Governmental Fund Type</u>	<u>Account Group</u>	<u>Total (Memorandum Only)</u>
	<u>General Fund</u>	<u>General Fixed Assets</u>	
ASSETS AND OTHER DEBITS			
Cash and cash equivalents	\$ 50,767	\$ -	\$ 50,767
Receivables - ad valorem taxes	99,227	-	99,227
Receivables - parcel fees	10,455	-	10,455
Utility deposits	100	-	100
Buildings	-	100,435	100,435
Vehicles	-	167,032	167,032
Equipment & tools	-	146,832	146,832
Amount to be provided for retirement of general long-term debt	-	-	-
Total assets and other debits	<u>\$ 160,549</u>	<u>\$ 414,299</u>	<u>\$ 574,848</u>
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities:			
Accounts payable	\$ 1,747	\$ -	\$ 1,747
Bonds payable	-	-	-
Total liabilities	<u>1,747</u>	<u>-</u>	<u>1,747</u>
Equity and Other Credits:			
Investment in general fixed assets	-	414,299	414,299
Fund balances -			
Unreserved - undesignated	<u>158,802</u>	<u>-</u>	<u>158,802</u>
Total fund equity	<u>158,802</u>	<u>414,299</u>	<u>573,101</u>
Total liabilities, equity and other credits	<u>\$ 160,549</u>	<u>\$ 414,299</u>	<u>\$ 574,848</u>

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

WEBSTER PARISH FIRE PROTECTION DISTRICT #8
 WEBSTER PARISH POLICE JURY
 Minden, Louisiana

Statements of Revenues, Expenditures and Changes in Fund Balance
 All Governmental Fund Types
 For the Year Ended December 31, 1998

	1998
REVENUES	
Ad valorem taxes	\$ 95,188
Parcel fees	14,957
Intergovernmental revenues - Webster Parish Police Jury	4,793
Interest income	3,045
Total revenues	117,983
 EXPENDITURES	
Current - public safety:	
Insurance	10,892
Fuel	780
Maintenance & utilities	13,353
Education & training	274
Supplies	14,596
Labor, lawyer, CPA fees	3,817
Miscellaneous	5,271
Debt service:	
Principal & interest	40,818
Capital outlay	36,590
Total expenditures	126,391
 (Deficiency) of revenues over expenditures	 (8,408)
Fund balances at beginning of year	167,210
Fund balances at end of year	\$ 158,802

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

WEBSTER PARISH FIRE PROTECTION DISTRICT #8
WEBSTER PARISH POLICE JURY
Minden, Louisiana

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Cash Basis) and Actual
All Governmental Fund Types
For the Year Ended December 31, 1998

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
REVENUES			
Ad valorem taxes	\$ -	\$ 95,540	\$ 95,540
Parcel fees	-	8,177	8,177
Intergovernmental revenues - Webster Parish Police Jury	-	4,793	4,793
Interest income	-	3,045	3,045
Total revenues	<u>-</u>	<u>111,555</u>	<u>111,555</u>
EXPENDITURES			
Current - public safety:			
Insurance	10,000	9,874	126
Fuel	1,000	718	282
Maintenance & utilities	15,000	13,462	1,538
Education & training	1,000	274	726
Supplies	16,500	15,015	1,485
Labor, lawyer, CPA fees	5,000	3,948	1,052
Miscellaneous	3,000	5,275	(2,275)
Debt service:			
Principal & interest	45,000	40,818	4,182
Capital outlay	-	36,590	(36,590)
Total expenditures	<u>96,500</u>	<u>125,974</u>	<u>(29,474)</u>
(Deficiency) of revenues over expenditures	(96,500)	(14,419)	82,081
Fund balances at beginning of year	<u>65,285</u>	<u>65,285</u>	<u>-</u>
Fund balances at end of year	<u>\$ (31,215)</u>	<u>\$ 50,866</u>	<u>\$ 82,081</u>

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

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

INTRODUCTION

The Webster Parish Fire Protection District No. 8 was created by resolution of the Webster Parish Police Jury in 1988. The District was formed for fire protection purposes. The District's board consists of five members who do not receive compensation. Two members are appointed by the Webster Parish Policy Jury, two members are appointed by the Town of Cotton Valley and the fifth member is appointed by the other four members and is the chairman of the District. Firemen are all volunteers.

1. Summary of Significant Accounting Policies

- A. Basis of Presentation - The accompanying general purpose financial statements of the Webster Parish Fire Protection District No. 8 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 Webster Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the district because the jury has the ability to impose its will on the district. Although the police jury does not appoint a voting majority, the district is fiscally dependent on the jury.

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 related 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 funds because they do not directly affect net expendable available financial resources.

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

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:

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.

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 generally are included on the balance sheet. Operating statements for these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental fund. The governmental funds use the following practices in recording revenues and expenditures:

Revenues - District property taxes are levied and collected by the parish tax collectors. Parcel fees are levied by the parish tax collectors and collected by the Town of Cotton Valley. Property tax revenues and parcel fees are recognized as revenues when assessed. Property taxes and parcel fees are assessed in November of each year and are considered delinquent as of January 1.

Expenditures - Expenditures are approved to be paid by the Board at board meetings.

E. Budget practices

The district uses the following budget practices:

1. The Chairman and Treasurer of the Board prepares a proposed budget and submits same to the Board of commissioners no later than fifteen days prior to the beginning of each fiscal year.

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
 WEBSTER PARISH POLICE JURY
 Cotton Valley, Louisiana
 Notes to Financial Statements
 As of and for the year ended December 31, 1998

2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted by the board of commissioners prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary appropriations lapse at the end of the fiscal year.
6. The budget for the General Fund was not adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. The revenues and expenditures shown on page 9 are reconciled with the amounts reflected on the budget comparison on page 10 as follows:

	Year ended <u>December 31, 1998</u>
(Deficiency) of revenues over expenditures, GAAP basis	\$ (8,408)
To adjust for receivables	(6,428)
To adjust for payables	<u>417</u>
(Deficiency) of revenues over expenditures, Budget - Cash basis	\$ <u>(14,419)</u>

F. Cash

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. 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, and money market accounts with state

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. Fixed assets and long-term debt

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed asset account group. The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their useful lives is not capitalized. Public domain (infrastructure) general fixed assets consisting of parking lots and other improvements are not capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost where historical records are available and at estimated cost where no historical records are available.

H. Compensated absences

The District had no employees for the year ended December 31, 1998.

I. Long-term obligations

Long-term debt 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. Total columns on combined 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.

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

2. Levied taxes

The District has a levy of 11.47 mill advalorem tax as of December 31, 1998. Parcel fees of \$25 on each lot, subdivided portion of ground or individual tract upon which there is a structure are also assessed. This parcel is for a period of ten years ending in 1998. Taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

3. Cash and cash equivalents

At December 31, 1998, the district has cash and cash equivalents totaling \$ 50,767 as follows:

Interest-bearing deposits	\$ <u>50,767</u>
---------------------------	------------------

These deposits are stated at cost , which approximates market. Under state law, these bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of pledged securities plus the federal deposit insurance must at all times at least 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 December 31, 1998, the district has \$50,807 in collected bank balances. The deposits are secured from risk by \$50,807 of federal deposit insurance.

4. Receivables

The following is a summary of receivables at December 31, 1998:

Ad valorem taxes	\$ <u>99,227</u>
Parcel fees	\$ <u>10,455</u>

The Webster Parish Fire Protection District #8 used the direct charge-off method of accounting for uncollectible ad valorem taxes and parcel fees.

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
 WEBSTER PARISH POLICE JURY
 Cotton Valley, Louisiana
 Notes to Financial Statements
 As of and for the year ended December 31, 1998

A summary of changes in general fixed assets follows:

	Balance <u>January 1</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>December 31</u>
<u>1998:</u>				
Land & buildings	\$ 100,435	-	-	100,435
Vehicles	167,032	-	-	167,032
Equipment	<u>103,393</u>	<u>43,439</u>	<u>-</u>	<u>146,832</u>
Totals	<u>\$ 370,860</u>	<u>43,439</u>	<u>-</u>	<u>414,299</u>

6. Changes in general long-term debt

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

	Certificate of <u>Indebtedness</u>
Long-term debt payable January 1, 1998	\$ 37,602
Additions:	-
Retirements:	<u>(37,602)</u>
Long-term debt payable, December 31, 1998	\$ <u>-</u>

As of December 31, 1998, the District completed pay off of the \$300,000 Certificates of Indebtedness, dated 6/20/90.

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

7. Year 2000 Issue

Year 2000 is an issue arising from computers being programmed in prior years to use only two digits (under the assumption that the first two digits would always be 19) to identify the year when processing date-sensitive information. This method of identifying dates could cause problems when processing information with dates in the year 2000 or later. As a result, the systems that use only two digits to identify dates could process data incorrectly or stop functioning altogether. The effects of the Year 2000 issue is expected to extend beyond systems that produce financial information. It encompasses all computer systems and any equipment that is dependent on microchip technology.

The execution of activities involving the promotion of economic development through the operation of an industrial park generally does not rely directly upon microchip technology, since these services are not automated in nature. However, the effect of the Year 2000 issue upon the District's vendors, revenue providers, grantors, and other entities with which it interacts has not been entirely determined. As a result, the effect of any of these entities' noncompliance with the Year 2000 issue upon the District has also not been determined.

For the year ended December 31, 1998, the Webster Parish Fire Protection District No. 8 incurred no remediation costs concerning the Year 2000 issue. No significant loss due to impairment of equipment that is not Year 2000 compliant was recognized for the year ended December 31, 1998.

SUPPLEMENTARY INFORMATION SCHEDULES

WEBSTER PARISH FIRE PROTECTION DISTRICT NO. 8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana

Schedule of Compensation Paid Board Members
As of and for the year ended December 31, 1998

The Board of Commissioners listed below were not compensated for their service to the District for the year ended December 31, 1998.

Sherrill Parkerson	Chairman
Melton Gray	Vice-chairman
Dennis Meshell	Treasurer
Jerry Slack	Member
Wayne Rhymes	Member

WEBSTER PARISH FIRE PROTECTION DISTRICT #8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana

Summary Schedule of Prior Year Findings
For the year ended December 31, 1998

Agreed-upon procedures findings

97-1 - Budgeting

FYE finding initially occurred - 12/31/96

Finding - The actual expenditures exceeded the budgeted expenditures by more than 5%

Planned Corrective Action - Management intends to continue to review and to amend the budget for expenditures in excess of the budget amounts by 5%.

Corrective Action Taken - Partially. During 1998, management made an effort to monitor and amend the budget as needed. However, in 1998, actual expenditures in the General Fund exceeded budgeted amounts by more than 5%.

97-2 - Meetings

FYE finding initially occurred - 12/31/95

Finding - No evidence found to support the assertion that notices were posted as required by LSA-RS 42:1 through 42:12.

Planned Corrective Action - Management intends to make an attempt to provide evidence to support the assertion that agendas for all meetings are properly posted or advertised as required by LSA-RS 42:1 through 42:12.

Corrective Action Taken - Yes.

WEBSTER PARISH FIRE PROTECTION DISTRICT No. 8
WEBSTER PARISH POLICE JURY
Cotton Valley, Louisiana

Corrective Action Plan for Current Year Findings
For the year ended December 31, 1998

The following details management's response to the findings noted as a result of performing agreed-upon procedures on management's representations contained in the Louisiana Attestation Questionnaire:

98-1 FINDING: Inventory and listing of general fixed assets

We noted an absence of a reconciliation of the list of fixed assets to the amounts reported in the general fixed asset account group. For proper controls the District should annually reconcile the fixed assets per the financial statements and the actual assets on hand. Lack of control over fixed assets could lead to misstatements in the financial statements and unknown loss of assets.

Management's response:

Management intends to establish procedures for proper controls and compliance regarding inventory and listing of general fixed assets.

98-2 FINDING: Budgeting

- a) No amount was budgeted for revenues in final budget for the year ended December 31, 1998.
- b) Actual revenues & expenditures exceed budgeted amounts by more than 5%.

Management's response:

- a) In order to present a complete financial plan, management intends to include budgeted amounts for revenues in the District's budget.
- b) Management intends to monitor revenues and expenditures more closely in order to make necessary amendments to the budget for unfavorable variances noted, as required by LSA-RS 39:1310.

98-3 FINDING: Public Bid Law

During the audit, we noted that the district obtained no quotes for the purchase of a used vehicle whose cost exceeded \$7,500.

Management's response:

Management intends to continue to update their procedures for purchases in order to comply with public bid law as required by LSA-RS 38:2212.