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WARDS 4 & 5 FIRE PROTECTION DISTRICT
OF BIENVILLE PARISH
BIENVILLE PARISH POLICE JURY
Ringgold, Louisiana

FINANCIAL REPORT
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 7-21-99

WARDS 4 & 5 FIRE PROTECTION DISTRICT OF BIENVILLE PARISH
BIENVILLE PARISH POLICE JURY
Ringgold, Louisiana

Component Unit Financial Statements
As of and for the year ended December 31, 1998

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JAMIESON, WISE & MARTIN

A PROFESSIONAL ACCOUNTING CORPORATION

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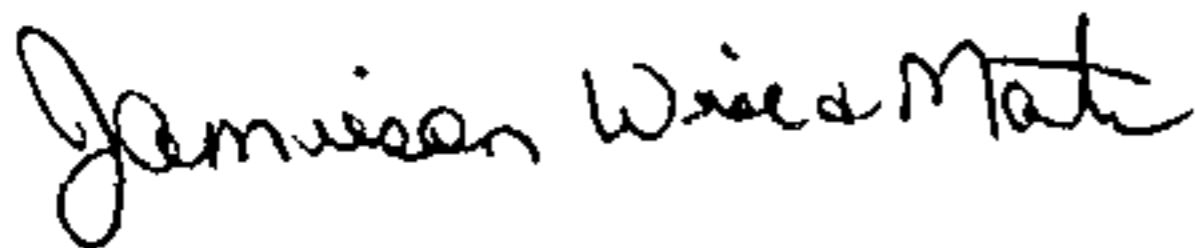
ACCOUNTANTS' COMPILATION REPORT

To the management of the Ward 4 & 5 Fire
Protection District of Bienville Parish
Ringgold, Louisiana

We have compiled the component unit financial statements as of December 31, 1998, and for the year then ended, 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 information that is the representation of management. We have not audited or reviewed the compiled financial statements 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 July 7, 1999, on the results of our agreed-upon procedures.



July 7, 1999
Minden, LA

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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Management of the Ward 4 & 5 Fire Protection
District of Bienville Parish

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Ward 4 & 5 Fire Protection District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Ward 4 & 5 Fire Protection District'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 \$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).

For the year ended December 31, 1998, we noted one expenditure for materials and supplies exceeding \$15,000. We examined documentation which indicated this expenditure had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251. No expenditures for public works exceeding \$100,000 were noted.

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.

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.

Management provided us with a copy of the original budget with amendments noted. There were two amendments during the year ended December 31, 1998.

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 October 13, 1997. We traced amendments to the budget to increase and decrease budget line items to the minutes of meetings held on August 10, 1998 and November 9, 1998, which indicated that the amendments were appropriately adopted.

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

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by 5% or more. Expenditures for the year did exceed budgeted amounts by 22%.

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

All six 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 approval from the Board of Commissioners.

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 Ward 4 & 5 Fire Protection District 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 such documents were properly posted. We observed that the current month's notice was posted for the upcoming meeting. In addition, we scanned a file containing copies of the notices posted during the year as evidence supporting this 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 deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

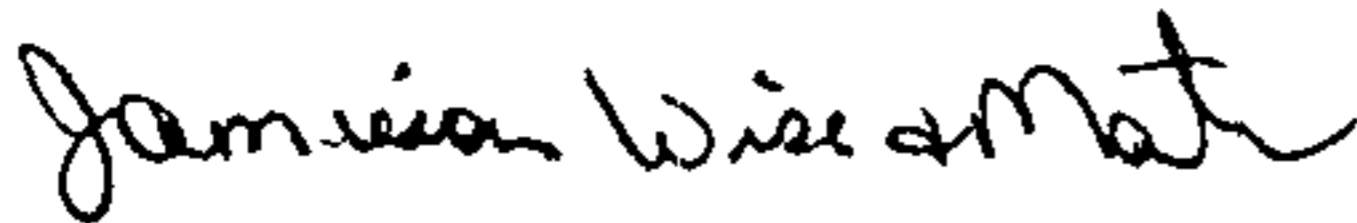
Advances and Bonuses

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

A reading of the minutes of the district for the year indicated no approval for the payments noted. 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.

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 Ward 4 & 5 Fire Protection District 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.



July 7, 1999
Minden, Louisiana

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

5/4/99 (Date Transmitted)

JAMIESON, WISE & MARTIN
601 MAIN STREET (P.O. BOX 897)
MINDEN, LA. 71058-0897 (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 [~~x~~] No []

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

Yes [~~x~~] No []

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

Yes [~~x~~] No []

Meetings

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

Yes [~~x~~] 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 [~~x~~] 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 [~~x~~] 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>Lawson C. Bradley</u>	Secretary	<u>5/4/99</u>	Date
Lawson Bradley			
<u>Lawson C. Bradley</u>	Treasurer	<u>5/4/99</u>	Date
Lawson Bradley			
<u>Robert P. Corley</u>	President	<u>5/4/99</u>	Date
Robert P. Corley,	Chairman		

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MANAGEMENT LETTER

July 7, 1999

To the Management of the Ward 4 & 5 Fire Protection
District of Bienville Parish

We have performed the agreed upon procedure attestation/compilation of the Ward 4 & 5 Fire Protection District of Bienville Parish as of December 31, 1998.

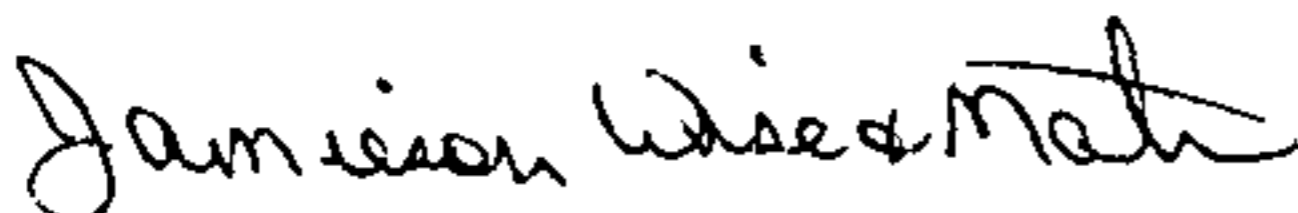
In addition to our agreed upon procedures, we noted matters concerning the management of the district that we submit for your consideration.

1. Late Filing of 1998 Financial Report

State law [Louisiana Revised Statute (R.S.) 24:513] requires that the 1998 financial report be submitted to the Louisiana Legislative Auditor's office no later than June 30, 1999. Requested information to complete the attestation/compilation was not submitted to our office until after June 30, 1999. As a result, the 1998 financial report is filed late which violates state law. In the future, the district should make every effort to submit the required information in a timely manner to comply with the state law filing deadline.

Should there be any questions concerning these comments or the attestation/compilation report, please let us know.

Sincerely,



Jamieson, Wise & Martin

COMPONENT UNIT FINANCIAL STATEMENTS

WARDS FOUR AND FIVE FIRE PROTECTION DISTRICT
OF BIENVILLE PARISH
RINGGOLD, LOUISIANA

Balance Sheet - All Fund Types and Accounts Groups
December 31, 1998

	<u>Governmental Fund Types</u>		<u>Account Groups</u>		Total (Memorandum Only)
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>General Fixed Assets</u>	<u>General Long-term Debt</u>	
ASSETS AND OTHER DEBITS					
Cash	\$ 83,459	3,213	-	-	86,672
Receivables	219,617	-	-	-	219,617
Due from other funds	1,765	-	-	-	1,765
Land, buildings, improvements and equipment	-	-	1,309,404	-	1,309,404
Amount available in debt service	-	-	-	1,448	1,448
Amount to be provided for retirement of general long-term debt	-	-	-	63,552	63,552
Total assets	<u>\$ 304,841</u>	<u>3,213</u>	<u>1,309,404</u>	<u>65,000</u>	<u>1,682,458</u>
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$ 10,827	-	-	-	10,827
Administrative fees payable	6,919	-	-	-	6,919
Due to other funds	-	1,765	-	-	1,765
Certificate of Indebtedness	-	-	-	65,000	65,000
Total liabilities	<u>17,746</u>	<u>1,765</u>	<u>-</u>	<u>65,000</u>	<u>84,511</u>
Fund equity:					
Investment in general fixed assets	-	-	1,309,404	-	1,309,404
Fund balances -					
Reserved for debt service	-	1,448	-	-	1,448
Unreserved - undesignated	287,095	-	-	-	287,095
Total fund equity	<u>287,095</u>	<u>1,448</u>	<u>1,309,404</u>	<u>-</u>	<u>1,597,947</u>
Total liabilities and fund equity	<u>\$ 304,841</u>	<u>3,213</u>	<u>1,309,404</u>	<u>65,000</u>	<u>1,682,458</u>

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

WARDS FOUR AND FIVE FIRE PROTECTION DISTRICT
OF BIENVILLE PARISH
RINGGOLD, LOUISIANA

Governmental Fund Types
Statements of Revenue, Expenditures and Changes in Fund Balances
For the year ended December 31, 1998

	General Fund	Debt Service Fund	Total (Memorandum Only)
REVENUES			
Ad valorem taxes	\$ 223,067	-	223,067
Interest	4,427	2,354	6,781
Intergovernmental revenues - Bienville Parish Police Jury	8,373	-	8,373
Other revenues	2,262	-	2,262
Total revenues	<u>238,129</u>	<u>2,354</u>	<u>240,483</u>
EXPENDITURES			
Current - public safety:			
Salaries & related expenses	34,730	-	34,730
Repairs & maintenance	21,545	-	21,545
Insurance	24,321	-	24,321
Office rent & expenses	2,893	-	2,893
Supplies	25,823	-	25,823
Telephone & utilities	13,009	-	13,009
Training & uniforms	909	-	909
Legal & accounting	3,195	-	3,195
Bond expense	-	1,108	1,108
Administrative fees	6,919	-	6,919
Miscellaneous	31	202	233
Capital outlay	47,181	96,092	143,273
Debt service:			
Bond principal	-	85,000	85,000
Bond interest	-	4,000	4,000
Note principal	16,000	-	16,000
Note interest	1,320	-	1,320
Certificate of Indebtedness - principal	30,000	-	30,000
Certificate of Indebtedness - interest	4,300	-	4,300
Total expenditures	<u>232,176</u>	<u>186,402</u>	<u>418,578</u>
Excess (deficiency) of revenues over expenditures	5,953	(184,048)	(178,095)
Fund balances at beginning of year	<u>281,142</u>	<u>185,496</u>	<u>466,638</u>
Fund balances at end of year	<u>\$ 287,095</u>	<u>1,448</u>	<u>288,543</u>

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

WARDS FOUR AND FIVE FIRE PROTECTION DISTRICT
OF BIENVILLE PARISH
RINGGOLD, LOUISIANA

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

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
REVENUES			
Ad valorem taxes	\$ 222,733	212,412	(10,321)
Interest	4,162	4,427	265
Intergovernmental - Bienville Parish Police Jury	8,373	8,373	-
Other revenues	<u>2,004</u>	<u>2,263</u>	<u>259</u>
Total revenues	<u>237,272</u>	<u>227,475</u>	<u>(9,797)</u>
EXPENDITURES			
Current - public safety:			
Salaries & related expenses	38,014	34,896	3,118
Insurance	17,824	20,530	(2,706)
Office rent & expenses	3,749	3,244	505
Supplies	23,906	24,412	(506)
Repairs & maintenance	21,081	21,339	(258)
Telephone & utilities	14,687	14,687	-
Training & uniforms	973	973	-
Legal & accounting	3,195	3,195	-
Administrative expenses	12,000	3,730	8,270
Miscellaneous	-	-	-
Capital outlay	-	47,181	(47,181)
Note payment & interest	17,320	17,320	-
Certificate of Indebtedness payment & interest	<u>32,553</u>	<u>34,300</u>	<u>(1,747)</u>
Total expenditures	<u>185,302</u>	<u>225,807</u>	<u>(40,505)</u>
Excess (deficiency) of revenues over expenditures	51,970	1,668	(50,302)
Other financing sources (uses)			
Operating transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and other uses	51,970	1,668	(50,302)
Cash balance at beginning of year	<u>81,791</u>	<u>81,791</u>	<u>-</u>
Cash balance at end of year	<u>\$ 133,761</u>	<u>83,459</u>	<u>(50,302)</u>

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

**WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998**

INTRODUCTION

Wards Four and Five Fire Protection District of Bienville Parish was created by the Bienville Parish Police Jury on May 11, 1988. The District includes all of Wards Four and Five of Bienville Parish. Jamestown Area Fire Protection District, which was created by the Bienville Parish Police Jury on September 11, 1985, was abolished upon creation of Wards Four and Five Fire Protection District and its assets and liabilities were transferred to the new District. The District is governed by a five-member board, of which two members are appointed by the Police Jury, one each by the Village of Jamestown and the Town of Ringgold, respectively, and one by the other four members of the board. Board members serve without compensation. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the District.

1. The following is a summary of certain significant accounting policies:

A. Basis of Presentation

The accompanying component unit financial statements of the Ward 4 & 5 Fire Protection District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

The District is a component unit of the Bienville 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 that financial reporting entity.

WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

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.

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.
2. Debt Service Fund –account 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 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:

**WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998**

Revenues

Under the modified accrual basis of accounting, revenues should be recognized in the accounting period in which they become available and measurable.

Ad valorem taxes are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Intergovernmental revenues are recorded when the District is entitled to the funds.

Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Substantially all other revenues are recorded when received.

Expenditures

With the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except that principal and interest on general long-term debt is recognized when due.

Other Financing Sources

Proceeds from the sale of long-term bonds are accounted for as an other financing source and are recognized when the underlying events occur.

E. Budgets

The district uses the following budget practices:

1. The Fire District clerk 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.

WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, 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 amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures which results from revenues exceeding amounts estimated require the approval of the board of commissioners.
6. Budgetary appropriations lapse at the end of the fiscal year.
7. The budget for the General fund was not adopted on a basis consistent with generally accepted accounting principles (GAAP).
8. The revenues and expenditures shown on page 11 are reconciled with the amounts reflected on the budget comparison on page 12 as follows:

	Year ended December 31, <u>1998</u>
Excess of revenues over expenditures, GAAP basis	\$5,953
To adjust for receivables	1,482
To adjust for payables	<u>(5,767)</u>
Excess of revenues over expenditures, Budget cash basis	<u>\$1,668</u>

WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

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 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

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 three employees, one full-time and two part-time. Unpaid vacation and sick leave are not accrued in governmental funds. Employees are able to earn up to 10 days of sick leave per year, however, they are not allowed to carry over more than 25 days of accumulated sick leave. As of December 31, 1998, there was no sick leave to carryover. No vacation time may be carried over after year-end.

WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

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 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.

2. Levied taxes

The following is a summary of authorized and levied ad valorem taxes for the year ended December 31, 1998:

	1998 Levied <u>Millage</u>
District taxes:	
General maintenance	3.87
Operations and maintenance	2.87
 Taxable property valuation	 <u>\$33,199,140</u>

3. Cash and cash equivalents

At December 31, 1998, the District has book balances totaling \$86,672 as follows:

Demand deposits	\$ 8,268
Interest-bearing deposits	<u>78,404</u>
Total	\$ <u>86,672</u>

WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

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 \$86,672 in collected bank balances. The deposits are secured from risk by \$86,672 of federal deposit insurance.

4. Receivables

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

<u>Class of Receivable</u>	<u>General Fund</u>
Ad valorem taxes	\$ <u>219,617</u>

5. Changes in general fixed assets

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31</u>
<u>1998:</u>				
Land	\$ 16,650	-	-	16,650
Buildings	568,203	590	-	568,793
Fire-fighting equip.	538,438	158,665	-	697,103
Office equipment	18,130	609	-	18,739
Vehicles	<u>8,119</u>	<u>-</u>	<u>-</u>	<u>8,119</u>
Totals	\$ <u>1,149,540</u>	<u>159,864</u>	<u>-</u>	<u>1,309,404</u>

6. Pension plan

The district's employees participate in the federal social security program. The District is required to remit to the Social Security Administration an amount equal to the employees' contributions.

**WARDS FOUR AND FIVE FIRE PROTECTION
 DISTRICT OF BIENVILLE PARISH
 Ringgold, Louisiana
 Notes to Financial Statements
 As of and for the year ended December 31, 1998**

7. Changes in general long-term obligations

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

	General Obligation <u>Bonds</u>	<u>Notes</u>	Certificate of <u>Indebtedness</u>	<u>Total</u>
Long-term debt payable January 1, 1998	\$ 85,000	16,000	95,000	196,000
Additions:	-	-	-	-
Retirements:	<u>(85,000)</u>	<u>(16,000)</u>	<u>(30,000)</u>	<u>(131,000)</u>
Long-term debt payable, December 31, 1998	\$ <u> </u>	<u> </u>	<u>65,000</u>	<u>65,000</u>

The general obligation bonds payable were issued on July 1, 1989. Annual installments of \$40,000 to \$45,000 were due through March 1, 1999, with interest at 7%. Debt retirement payments were made from the Debt Service Fund.

The note payable was issued on September 4, 1990. One annual installment in the amount of \$16,000 was due through March 1, 1998, with interest at 8.25%. The indebtedness was incurred for the purchase of additional fire-fighting equipment.

The \$150,000 Certificates of Indebtedness, Series 1996 bears an interest rate of 5.375%. Annual installments of \$30,000 to \$35,000 are due through March 1, 2000.

The annual requirements to amortize the Certificate of Indebtedness outstanding at December 31, 1998, including interest payments of \$ 3,628, are as follows:

1999	\$ 32,687
2000	<u>35,941</u>
 Total	 \$ <u>68,628</u>

WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARISH
Ringgold, Louisiana
Notes to Financial Statements
As of and for the year ended December 31, 1998

In accordance with Louisiana Revised Statute 39:562, the District is legally restricted from incurring long-term bonded debt in excess of ten (10) per cent of the assessed value of the taxable property in the District. At December 31, 1998, the statutory limit was \$ 3,319,914.

8. Litigation and claims

The District was not involved in any litigation as of December 31, 1998, nor was it aware of any unasserted claims.

9. 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 the activities of the District generally do not rely directly upon microchip technology, since these services are not automated in nature. However, the effects of the Year 2000 issue upon the District's vendors, revenue providers, 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 Wards Four and Five Fire Protection District of Bienville Parish 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.

SUPPLEMENTAL INFORMATION SCHEDULES

WARDS FOUR AND FIVE FIRE PROTECTION
DISTRICT OF BIENVILLE PARH
Ringgold, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 1998

The following serve on the Board of Commissioners without compensation:

Robert P. Corley	Chairman
Lawson C. Bradley	Sec.-Treasurer
Billy Joe Wiggins	Member
James Pietch	Member
William Conly	Member

WARDS 4 & 5 FIRE PROTECTION DISTRICT OF BIENVILLE PARISH
BIENVILLE PARISH POLICE JURY
Ringgold, Louisiana

Summary of Prior Year Findings
As of and for the year ended December 31, 1998

Agreed-upon procedures findings

97-1 - Budgeting

Finding - Actual revenue and expenditures exceeded budgeted amounts by more than 5%.

Planned Corrective Action - 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.

Corrective Action Taken - Amendments were made to the budget. However, expenditures exceeded budgeted amounts by more than 5% for the year ended December 31, 1998.

Management letter findings

97-2 - Ad Valorem Taxes on long term debt

Finding - As of December 31, 1997, the outstanding debt amounted to \$196,000 principal and \$12,820 interest for a total outstanding amount of \$208,820. The cash in the debt service fund and receivable from assessed property taxes amount to \$188,709. The district should examine the amount needed for remaining assessments to pay the applicable debt so that extra taxes are not collected.

Planned Corrective Action - The District will examine the needed for remaining assessments to pay the applicable debt.

Corrective Action Taken - Corrective action was implemented. No similar findings are noted for the year ended December 31, 1998.

WARDS 4 & 5 FIRE PROTECTION DISTRICT OF BIENVILLE PARISH
BIENVILLE PARISH POLICE JURY
Ringgold, Louisiana

Corrective Action Plan for Current Year Findings
As of and for the year ended December 31, 1998

Section I - Agreed Upon Procedures Attestation/Compilation

98-1 - FINDING: *Budgeting*

Expenditures exceeded budgeted amounts by 22%.

Planned Corrective Action:

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.

Section II - Management Letter

98-2 - FINDING: *Late Filing of 1998 Financial Report*

Requested information to complete the attestation/compilation was not submitted to the CPA firm's office until after June 30, 1999. As a result, the 1998 financial report is filed late which violates state law.

Planned Corrective Action:

Management intends to provide all required information in a timely manner to comply with the state law filing deadline of June 30.