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**SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
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 MAR 03 1999

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
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DECEMBER 31, 1998

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SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
TRANSMITTAL LETTER  
ANNUAL FINANCIAL STATEMENTS

January 25, 1999

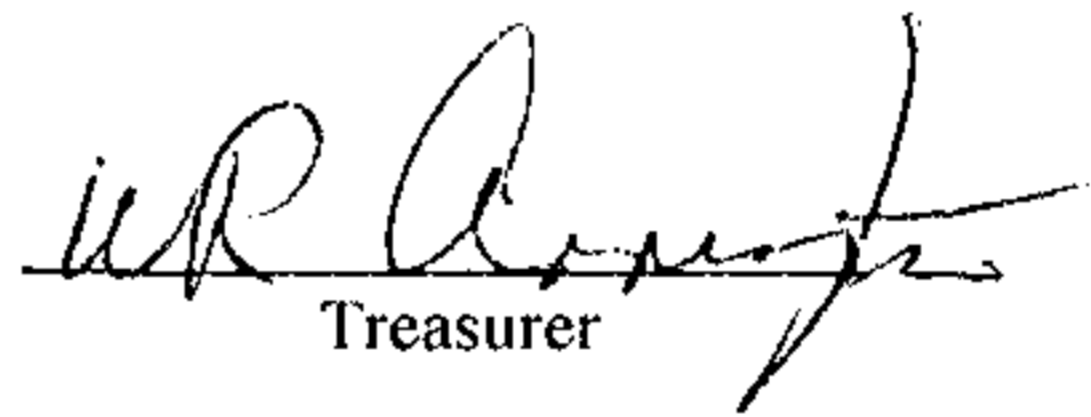
Mr. Daniel G. Kyle  
Office of the Legislative Auditor  
P. O. Box 94397, 1600 North Third  
Baton Rouge, LA 70804-9397

Dear Mr. Kyle:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 for the year ended December 31, 1998. This report includes all funds under the control and oversight of the Fire Protection District.

The accompanying component unit financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,

  
Treasurer

enclosure

STATE OF LOUISIANA

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2

Report of

WALLACE R. ARRINGTON  
Treasurer

TO

LEGISLATIVE AUDITOR

For the Year Ended December 31, 1998

In accordance with Louisiana Revised Statute 24:514

AFFIDAVIT

Personally came and appeared before the undersigned authority, Wallace R. Arrington, Treasurer of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2, who, duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2, and the results of the operations for the year ended December 31, 1998, in accordance with generally accepted accounting principles.

  
Treasurer

Sworn to and subscribed before me, this 25 day of January, 1999.

  
NOTARY PUBLIC

## **COMPONENT UNIT FINANCIAL STATEMENTS**

# HINES, JACKSON & HINES

CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 2188 • 133 EAST FIFTH STREET  
NATCHITOCHES, LA 71457

Telephone (318) 352-6458  
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(Retired)

FRANK S. HINES, CPA  
LEWIS C. HINES, CPA  
E. MERLIN SQUYRES, CPA  
JAY H. SHEFFIELD, CPA

Board of Commissioners  
Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2  
P. O. Box 38  
Florien, LA 71429

We have compiled the accompanying component unit financial statements of the Sabine Parish Fire Protection District No. 1, Wards 1 and 2, Florien, Louisiana, a component unit of the Sabine Parish Police Jury, State of Louisiana, as of and for the year ended December 31, 1998, as listed in the table of contents, 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 accompanying component unit financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Hines, Jackson & Hines*

Natchitoches, Louisiana  
January 25, 1999

## **COMBINED STATEMENTS - OVERVIEW**

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 1998

	<u>Governmental</u>		<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Fund Types</u>	<u>Account Group</u>	
	<u>General</u>	<u>General</u> <u>Fixed Assets</u> <u>Account Group</u>	
<b>ASSETS</b>			
Cash	\$ 47,793	\$ 0	\$ 47,793
Time deposits	10,475	0	10,475
Receivables			
Ad valorem taxes	153,119	0	153,119
Prepaid insurance	7,437	0	7,437
Meter deposits	335	0	335
Land	0	5,500	5,500
Buildings	0	240,003	240,003
Equipment	0	785,416	785,416
<b>TOTAL ASSETS</b>	<u>\$ 219,159</u>	<u>\$ 1,030,919</u>	<u>\$ 1,250,078</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Accounts payable	\$ 3,054	\$ 0	\$ 3,054
Deductions from ad valorem taxes - retirement system	<u>5,435</u>	<u>0</u>	<u>5,435</u>
<b>TOTAL LIABILITIES</b>	8,489	0	8,489
<b>Fund Equity</b>			
Investment in general fixed assets	0	1,030,919	1,030,919
Fund balance - unreserved and undesignated	<u>210,670</u>	<u>0</u>	<u>210,670</u>
<b>TOTAL FUND EQUITY</b>	<u>210,670</u>	<u>1,030,919</u>	<u>1,241,589</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 219,159</u>	<u>\$ 1,030,919</u>	<u>\$ 1,250,078</u>

See accompanying notes and accountants' report.



SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
YEAR ENDED DECEMBER 31, 1998

REVENUES		
Taxes - ad valorem	\$	159,269
Intergovernmental		
State revenue sharing		14,961
Fire insurance rebate		7,438
Interest income		<u>2,728</u>
 TOTAL REVENUES		 184,396
EXPENDITURES		
General government		1,650
Per diem paid to commissioners		5,976
Utilities and telephone		15,963
Insurance and bonds		6,826
Truck expense		20,065
Repairs and maintenance		11,172
Materials and supplies		12,100
Station caretaking		1,800
Legal and accounting		20
Rent		2,550
Bookkeeping		5,435
Deductions from ad valorem tax for Retirement system		305
Miscellaneous		540
Continuing education classes		1,198
License		<u>20,183</u>
Capital Outlay		
 TOTAL EXPENDITURES		 <u>105,783</u>
 EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES		 78,613
 FUND BALANCE, Beginning of year		 <u>132,057</u>
 FUND BALANCE, End of year	\$	<u><u>210,670</u></u>

See accompanying notes and accountants' report.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 1998

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 is a body created by the Sabine Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492, for the purpose of providing fire protection within the District. The District is governed by a board of five commissioners appointed by the Police Jury and Village of Florien. The commissioners serve two year terms.

The accounting and reporting policies of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements set forth in the Louisiana Governmental Audit Guide and to Louisiana Revised Statute 24:517, and to the industry audit guide, Audits of State and Local Governmental Units.

**A.            Financial Reporting Entity**

As the governing authority of the parish, for reporting purposes, the Sabine Parish Police Jury is the financial reporting entity for Sabine Parish. The financial reporting entity consists of a) the primary government (police jury), b) organizations for which the primary government is financially accountable, and c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Sabine Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1.            Appointing a voting majority of an organization's governing body, and
  - a)            The ability of the police jury to impose its will on that organization and/or
  - b)            The potential for the organization to provide specific financial benefits or burdens on the police jury.
2.            Organizations for which the police jury does not appoint voting majority but were fiscally dependent on the police jury.
3.            Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because of the nature and significance of the services provided to Sabine Parish by the Fire Protection District, the reporting entity financial statements would be misleading if data of the Fire Protection District was not included. 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.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

**NOTE 1          SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B.          Fund Accounting**

The accounts of the Fire Protection District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions and activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds are grouped in this report into one generic fund type, one broad fund category and one account group as follows:

**Governmental Funds** - Funds through which most governmental functions are typically financed. The funds included in this category are as follows:

General Fund - the general fund is the general operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in another fund.

**Account Groups** - An account group is a financial reporting device designed to provide accountability for certain assets and liabilities not recorded in the funds because they do not directly affect net expendable available financial resources.

General Fixed Assets Account Group - This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes and excludes fixed assets in the Enterprise Fund.

**C.          General Fixed Assets**

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

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

The fixed assets account group is not a "fund". It is concerned only with the measurement of financial position, not with measurement of results of operations.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

**NOTE 1        SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.        Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes, 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 ensuing year. State revenue sharing is recognized as income when it is received by the District. Interest and miscellaneous income are recorded when received in cash because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that principal and interest on general long-term debt is recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

**E.        Cash**

Consistent with GASB Statement 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting", the Fire Protection District defines cash as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**F.        Accounts Receivable**

All receivables are reported at their gross value and, where applicable are reduced by the estimated portion that is expected to be uncollectible.

**G.        Bad Debts**

Uncollectible ad valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 1998, \$0 were considered to be uncollectible.



SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

**NOTE 1          SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H.          Prepaid Expenses**

Payments to vendors for services that will benefit periods beyond December 31, 1998, are recorded as prepaid expenses.

**I.          Fund Equity**

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations.

**J.          Total Columns on Combined Statements**

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

**K.          Compensated Absences**

The Fire Protection District does not have any paid employees. Therefore, it does not have a formal vacation and sick leave policy and does not participate in any retirement plan.

**L.          Budgets and Budgetary Accounting**

The Fire Protection District is required by the Louisiana Local Government Budget Act (LSA-R.S. 1301-1314) to adopt an annual budget. An annual budget is adopted each year and amended as required. Formal budgetary accounting is employed as a management control.

**M.          Use of Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**N.          Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District.

**NOTE 2          AD VALOREM TAXES**

Ad valorem taxes, assessed on the calendar year basis, become due November 15, become delinquent on December 31, and attach as an enforceable lien on property as of January 1 of the following year. Taxes are levied and billed by the Sabine Parish Sheriff. The Sabine Parish Sheriff bills and collects property taxes for the District using the assessed values determined by the tax assessor of Sabine Parish.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 1998

**NOTE 2 AD VALOREM TAXES (CONTINUED)**

For the year ended December 31, 1998, taxes of 10.52 mills were levied on property with assessed valuations totaling \$15,553,700. Total taxes levied for the year were \$159,269.

**NOTE 3 CASH AND CASH EQUIVALENTS AND TIME DEPOSITS**

At December 31, 1998, the District has cash totaling \$58,268, as follows:

Demand deposits	\$	7,857
Savings account		39,936
Time deposit		<u>10,475</u>
Total	\$	<u><u>58,268</u></u>

Under state law, these deposits 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 federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. As of December 31, 1998, the District had \$59,012 in bank deposits. These deposits were secured from risk by \$59,012 of federal deposit insurance.

**NOTE 4 DEDICATION OF PROCEEDS AND FLOW OF FUNDS**

10.52 Mill Ad Valorem Taxes

Proceeds of the 10.52 mill tax are dedicated for the purpose of maintaining and operating fire protection facilities, for purchasing fire trucks and other fire fighting equipment, for paying the cost of obtaining water for fire protection purposes, and for the salaries of firemen.

**NOTE 5 CHANGES IN GENERAL FIXED ASSETS**

	Balance December 31, 1997	Additions	Deletions	Balance December 31, 1998
Land	\$ 5,500	\$ 0	\$ 0	\$ 5,500
Buildings	240,003	0	0	240,003
Equipment	<u>765,233</u>	<u>20,183</u>	<u>0</u>	<u>785,416</u>
Total	<u><u>\$ 1,010,736</u></u>	<u><u>\$ 20,183</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,030,919</u></u>

**NOTE 6 LEASES**

The District had no capital leases at December 31, 1998. However, the District had one lease for the rental of land with the consideration being \$20 and with the understanding that the property is to be used for a fire station only.

**NOTE 7 LITIGATION**

According to District officials the Sabine Parish Fire Protection District No. 1, Wards 1 and 2, Florien, Louisiana, was involved in no pending litigation at December 31, 1998.

## **SUPPLEMENTARY INFORMATION**

# HINES, JACKSON & HINES

CERTIFIED PUBLIC ACCOUNTANTS  
P.O. BOX 2188 • 133 EAST FIFTH STREET  
NATCHITOCHES, LA 71457

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JAY H. SHEFFIELD, CPA

A. NEILL JACKSON, JR., CPA  
(Retired)

Board of Commissioners  
Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2  
P. O. Box 38  
Florien, LA 71429

Our report on the compilation of the component unit financial statements of the Sabine Parish Fire Protection District No. 1, Wards 1 and 2, Florien, Louisiana, a component unit of the Sabine Parish Police Jury, State of Louisiana, appears on page 2. 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 financial statements and, accordingly, do not express an opinion or any other form of assurance on them. The information included in the accompanying schedule is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

*Hines, Jackson & Hines*

Natchitoches, Louisiana  
January 25, 1999



SCHEDULE 1

SABINE PARISH FIRE PROTECTION DISTRICT NO.1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
COMPENSATION PAID BOARD MEMBERS  
DECEMBER 31, 1998

The schedule of compensation paid to board members were prepared in compliance with House Concurrent Resolution No. 54 of the 2979 Session of the Louisiana Legislature.

In accordance with Louisiana Revised Statute 40:1498, members, including police jurors serving ex-officio, may be paid per diem of \$30 for attending board meetings - not to exceed two meetings in any one calendar month.

SCHEDULE 2

SABINE PARISH FIRE PROTECTION DISTRICT NO.1  
WARDS NO. 1 AND 2  
FLORIEN, LOUISIANA  
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS  
DECEMBER 31, 1998

Arrington, Wallace	\$	360
Corley, John H.		330
Griffin, George		300
McNeely, Clyde		300
Moore, Argus		<u>360</u>
Total	\$	<u>1,650</u>

**SABINE PARISH FIRE PROTECTION DISTRICT NO. 1**  
**WARDS NO. 1 AND 2**  
**P.O. BOX 38 - 411 NORTH NOLAN TRACE**  
**FLORIEN, LOUISIANA 71429**

---

January 25, 1999

Hines, Jackson & Hines  
P. O. Box 2188  
Natchitoches, Louisiana 71457

Dear Gentlemen:

In connection with your compilation of our financial statements as of December 31, 1998, 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 regulations 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 December 31, 1998.

**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 39:43.

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 47:1410.60-65.

Yes  No

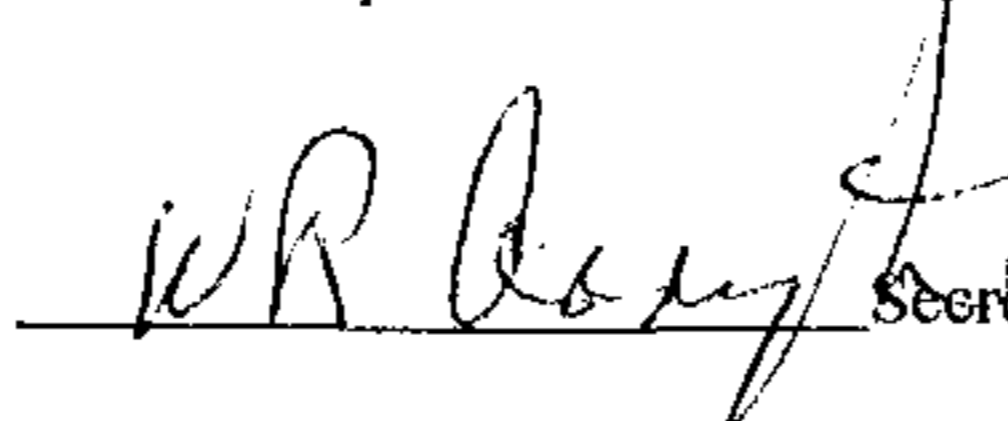
**Advances and Bonuses**

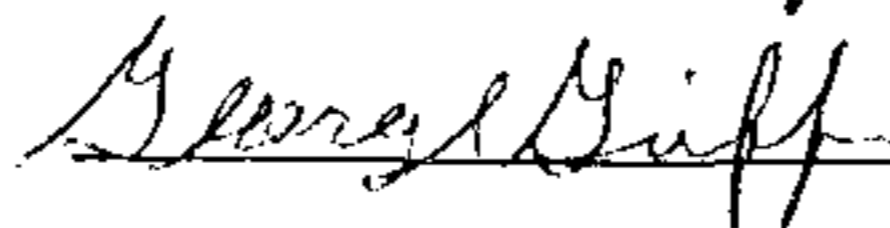
It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79:729.

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.

  
Secretary/Treasurer

  
President

# HINES, JACKSON & HINES

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JAY H. SHEFFIELD, CPA

A. NEILL JACKSON, JR., CPA  
(Retired)

## Independent Accountants' Report on Applying Agreed-Upon Procedures

Board of Commissioners  
Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2  
P.O. Box 38  
Florien, Louisiana 71429

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Sabine Parish 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).

No expenditures were made during the year for materials and supplies exceeding \$15,000. 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.

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

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

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

We traced the adoption of the original budget to the minutes.

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 5.00 percent or more or if actual expenditures exceed budgeted amounts by 5.00 percent or more.

We compared the revenues and expenditures of the budget to actual revenues and expenditures. Actual revenues were within 5.00 percent of budgeted revenues. Actual expenditures were 43.28 percent less than budgeted amounts because the District did not purchase a fire truck that was included in the 1998 budget.

### **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 approvals from at least one commissioner and the secretary/treasury. 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 meeting law).

Notices with the date and location of upcoming meetings were posted on all fire stations. In addition, all meetings were advertised on the local radio station.

### **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.

A reading of the minutes of the district for the year under examination 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 Sabine Parish Fire Protection District No. 1, Wards No. 1 and 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.

***Hines, Jackson & Hines***

Natchitoches, Louisiana

January 25, 1999