

RECEIVED
LEGISLATIVE AUDITOR
99 MAY 24 11:15

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8
GENERAL PURPOSE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAY 26 1999

TABLE OF CONTENTS

	<u>Page No.</u>
INDEPENDENT ACCOUNTANTS' REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS	
Combined Balance Sheet – All Governmental Fund Types and Account Groups	2
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance – All Governmental Fund Types	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund and Special Revenue Fund	4
NOTES TO FINANCIAL STATEMENTS	5
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR COMPLIANCE WITH LAWS AND REGULATIONS	13

Skarda & Silva, L.L.P.

Certified Public Accountants

4331 Iberville Street

Mandeville, LA 70471

Steven A. Skarda, C.P.A.

Brent A. Silva, C.P.A.

(504) 626-8299, Main

(504) 626-9767, Fax

INDEPENDENT ACCOUNTANTS' REPORT

Board of Commissioners
St. Tammany Parish Fire Protection District No. 8
Abita Springs, Louisiana

We have compiled the accompanying general-purpose financial statements of the St. Tammany Parish Fire Protection District No. 8 as of December 31, 1998, and for the year then ended, 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 the management of the St. Tammany Parish Fire Protection District No. 8. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with standards established by the American Institute of Certified Public Accountants, we have also issued a report dated April 29, 1999 on applying agreed-upon procedures for compliance with laws and regulations.


April 29, 1999

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8
 COMBINED BALANCE SHEET
 ALL GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1998

	Governmental Fund Types			Account Groups			Total Memorandum Only
	General Fund	Special Revenue Fund	Debt Service Fund	General Fixed Assets Account Groups	General Long-Term Obligations		
ASSETS AND OTHER DEBITS							
Cash	\$ 28,632	\$ 11,725	\$ -	\$ -	\$ -	\$ -	\$ 40,357
Receivables	71,921	58,349	-	-	-	-	130,270
Due from general fund	-	6,299	-	-	-	-	6,299
Land, buildings, and equipment	-	-	-	648,289	-	-	648,289
Amount available in debt service fund	-	-	-	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-	94,503	-	94,503
TOTAL ASSETS AND OTHER DEBITS	\$ 100,553	\$ 76,373	\$ -	\$ 648,289	\$ 94,503	\$ -	\$ 919,718
LIABILITIES, FUND EQUITY AND OTHER CREDITS							
Liabilities							
Accounts payable	\$ 3,726	\$ 5,622	\$ -	\$ -	\$ -	\$ -	\$ 9,348
Due to special revenue fund	6,299	-	-	-	-	-	6,299
General obligation bonds	-	-	-	-	94,503	-	94,503
Total liabilities	10,025	5,622	-	-	94,503	-	110,150
Fund Equity							
Investment in general fixed assets	-	-	-	648,289	-	-	648,289
Fund Balance	-	24,034	-	-	-	-	24,034
Reserved for debt service	-	46,717	-	-	-	-	46,717
Undesignated	90,528	-	-	-	-	-	90,528
Total fund equity	90,528	70,751	-	648,289	-	-	809,568
TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS	\$ 100,553	\$ 76,373	\$ -	\$ 648,289	\$ 94,503	\$ -	\$ 919,718

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Memorandum Only</u>
REVENUES				
Taxes	\$ 56,188	\$ 61,284	\$ -	\$ 117,472
Miscellaneous	24,095	2,259	-	26,354
Total revenues	80,283	63,543	-	143,826
EXPENDITURES				
Public safety-fire protection				
Insurance	8,106	-	-	8,106
Telephone	5,137	-	-	5,137
Utilities	3,128	-	-	3,128
Maintenance and repairs				
Vehicles	8,344	-	-	8,344
Property and equipment	5,861	571	-	6,432
Professional services	4,858	504	-	5,362
Supplies	7,872	123	-	7,995
Salaries	27,500	-	-	27,500
Capital outlay	11,416	24,942	-	36,358
Debt service				
Principal	-	-	20,185	20,185
Interest	-	-	6,029	6,029
Miscellaneous	7,857	349	-	8,206
Total expenditures	90,079	26,489	26,214	142,782
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,796)	37,054	(26,214)	1,044
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	26,214	26,214
Operating transfers out	-	(26,214)	-	(26,214)
Total other financing sources (uses)	-	(26,214)	26,214	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(9,796)	10,840	-	1,044
FUND BALANCE				
Beginning of year	100,324	59,911	-	160,235
End of year	<u>\$ 90,528</u>	<u>\$ 70,751</u>	<u>\$ -</u>	<u>\$ 161,279</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND AND SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1998

	General Fund		Special Revenue Fund		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
REVENUES					
Taxes	\$ 70,000	\$ 56,188	\$ 58,500	\$ 61,284	\$ 2,784
Miscellaneous	2,100	24,095	400	2,259	1,859
Total revenues	72,100	80,283	58,900	63,543	4,643
EXPENDITURES					
Public safety-fire protection					
Insurance	9,000	8,106	-	-	-
Fuel and oil	2,500	-	-	-	-
Intergovernmental fees	500	-	-	-	-
Telephone	4,000	5,137	-	-	-
Communications	150	-	-	-	-
Utilities	2,100	3,128	-	-	-
Maintenance and repairs					
Vehicles	1,750	8,344	-	-	-
Property and equipment	4,800	5,861	-	571	(571)
Professional services	4,700	4,858	-	504	(504)
Postage	100	-	-	-	-
Supplies	3,200	7,872	-	123	(123)
Capital outlay	11,000	11,416	15,900	24,942	(9,042)
License	1,700	-	-	-	-
Salaries	30,000	27,500	-	-	-
Security	500	-	-	-	-
Debt service					
Interest	-	-	3,277	-	3,277
Principal	-	-	21,723	-	21,723
Miscellaneous	1,300	7,857	-	349	(349)
Total expenditures	77,300	90,079	40,900	26,489	14,411

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND AND SPECIAL REVENUE FUND
 FOR THE YEAR ENDED DECEMBER 31, 1998

	General Fund		Special Revenue Fund		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,200)	(9,796)	18,000	37,054	19,054
OTHER FINANCING SOURCES (USES)					
Operating transfers in	18,000	-	-	-	-
Operating transfers out	-	-	(18,000)	(26,214)	(8,214)
Total other financing sources (uses)	18,000	-	(18,000)	(26,214)	(8,214)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	12,800	(9,796)	-	10,840	10,840
FUND BALANCE					
Beginning of year	100,324	100,324	59,911	59,911	-
End of year	\$ 113,124	\$ 90,528	\$ 59,911	\$ 70,751	\$ 10,840

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The St. Tammany Parish Fire Protection District No. 8 (the "District") was established by joint ordinance of the St. Tammany Parish Police Jury and the Town of Abita Springs, Louisiana on May 16, 1974. The District's boundaries coincide with the boundaries of the Tenth Ward of the Parish of St. Tammany. The District is governed by a Board of Commissioners consisting of five resident property taxpayers, as provided by Louisiana Revised Statute 40:1496. The St. Tammany Parish Police Jury and the Town of Abita Springs, Louisiana each appoint two commissioners for two year terms. The four appointed commissioners select the fifth member who serves as chairman. Vacancies are filled by the bodies making the original appointments.

Fire protection districts are created for the purpose of acquiring, maintaining, and operating facilities, machinery, equipment, water tanks, water hydrants, water lines, and other things necessary to provide proper fire protection and control of the property within the District. The District interacts with the Abita Springs Volunteer Fire Department to carry out its objective.

The financial statements of the St. Tammany 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. The more significant of the government's accounting principles are described below.

Reporting Entity

The general-purpose financial statements of the District include all funds, account groups and activities that are within the oversight responsibility of the District. Certain units of local government, over which the District exercises no oversight responsibility such as the St. Tammany Parish Police Jury, Parish School Board, independently elected parish officials, and municipalities within the parish, are excluded from the accompanying general-purpose financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the District.

As governing authority of the Parish, for reporting purposes, the St. Tammany Parish Police Jury is the financial reporting entity for St. Tammany 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.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Tammany 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:

- a) Appointing a voting majority of an organization's governing body, and the ability of the police jury to impose its will on that organization and/or the potential for the organization to provide specific financial benefits to or impose specific financial burden on the police jury.
- b) Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
- c) 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.

St. Tammany Parish Fire Protection District No. 8 is considered a component unit of the financial reporting entity because the commissioners of the District are appointed by the St. Tammany Parish Police Jury. The accompanying financial statements present information only on the funds maintained by the St. Tammany Parish Fire Protection District No. 8 and do not present information on the Police Jury, the general government services provided by the Police Jury, or other governmental units that comprise the financial reporting entity.

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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the fund because they do not directly affect net expendable available financial resources.

Funds are ordered into three major categories: governmental, proprietary, and fiduciary. Funds within each major category are grouped by fund type in the combined financial statements. The funds and account groups used by the District are as follows:

Governmental Fund Types

Governmental funds are those through which general governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the District's governmental fund types:

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

General Fund

The general fund is the main operating fund of the District. The fund is used to account for all financial resources not accounted for in other funds.

Special Revenue Fund

The special revenue fund is used to account for the proceeds of specific revenue resources (other than assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. This fund includes a special assessment of ad valorem taxes. The District will receive an additional 10 mills of ad valorem tax for a period of ten years. The tax is to be used for purchasing and maintaining new fire trucks and equipment, and constructing and maintaining a new fire station (See Note D to the financial statements).

Debt Service Fund

The debt service fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from transfers from the special revenue fund.

Account Groups

Account groups are used to establish accounting control and accountability for the District's general fixed assets and long-term obligations. The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the District. Capital outlays in the general fund and special revenue fund are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the general fixed assets account group.

General Long Term Debt Account Group

This account group is established to account for all of the District's long-term debt that will be financed from general governmental resources.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All 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. The operating statement of the fund presents increases (i.e., revenues and other sources) and decreases (i.e., expenditures and other uses) in net current assets.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues of the District susceptible to accrual are ad valorem taxes, insurance taxes, state revenue sharing and interest. Substantially all other revenues are recorded when received.

Budget and Budgetary Accounting

Formal budgetary accounting is employed as a management control device during the year for the general fund and special revenue funds. Formal budgetary accounting is not employed for the debt service fund because effective control is alternative achieved through the indenture provisions of the certificates.

Budgets are adopted for the general fund and special revenue fund on a basis consistent with generally accepted accounting principles (GAAP). All appropriations, which are not expended, lapse at year-end.

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.

Cash and Cash Equivalents

Cash includes amounts in demand deposits and certificates of deposits, if any.

Louisiana revised statutes authorize the District to invest in (1) United States bonds, treasury notes or certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana, an investment as stipulated in LSA-RS 39:1271, or any other federally insured investments or (2) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in the general fund and special revenue fund, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at estimated historical costs where no historical records exist. Donated fixed assets, if any are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Assets in the general fixed assets account group are not depreciated.

Allowance for Uncollectible Receivables

The District's primary revenue source, ad valorem taxes, become delinquent if not paid by March 1 following the year of assessment. Unpaid taxes attach as an enforceable lien on property. The board of commissioners considers all taxes to be fully collectible and, accordingly, no allowance for uncollectible receivables is provided in the accompanying financial statements.

Ad Valorem Taxes

Ad valorem taxes are normally levied in November and billed in December. These taxes are due in January of the following year. Any unpaid taxes are collected in connection with an auction held in May. The sheriff's department bills and collects the District's ad valorem taxes.

Ad valorem taxes are levied based on property values determined by the St. Tammany Parish Assessor (a separate entity). All land and residential improvements are assessed at 10 percent of fair market value, and other property at 15 percent of fair market value.

District ad valorem tax revenues are recognized when levied to the extent that they are determined to be currently collectible.

Pension Plan, Vacation, and Sick Leave Policies

All members of the District serve as volunteers. Accordingly, the District does not contribute to a pension plan and has no formal vacation and sick leave policy.

Fund Equity

Designations represent those portions of fund equity that have been segregated to indicate tentative plans for future resource use.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions and reimbursements are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Total Column on Financial Statements

The total column on the financial statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles nor is such data comparable to a consolidation.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budget

In accordance with Louisiana Local Government Budget Act, the procedures used by the District in establishing the budgetary data reflected in the financial statements include public notices of the proposed budget, public inspections, and public hearings. The budget is then legally adopted by the District's board of commissioners. Budgeted amounts included in the accompanying statements are an originally adopted by the District as of August 26, 1998.

The accompanying combined statement of revenues, expenditures, and changes in fund balances-budget and actual-general fund and special revenue fund present comparisons of the legally adopted budget with actual data.

Expenditures in Excess of Appropriations

The general fund had expenditures in excess of appropriations in the amount of \$9,796 for the year ended December 31, 1998. Expenditures exceeded appropriations because of higher than anticipated capital outlay expenditures for fire safety equipment and vehicles. The undesignated fund balance was available to absorb the overrun.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE C – CASH AND CASH EQUIVALENTS

At year-end, the carrying amount of the District's deposits consisted of the following:

Cash in demand deposit account	\$ 38,941
Cash in savings account	<u>1,416</u>
	<u>\$ 40,357</u>

The District's cash was not in excess of the FDIC insurance during 1998. There were no funds invested during 1998.

NOTE D – RECEIVABLES

Receivables at December 31, 1998, were comprised of the following:

Ad valorem taxes	\$125,626
State revenue sharing	<u>4,645</u>
	<u>\$130,271</u>

NOTE E – AD VALOREM TAXES

The District was authorized to levy a 10 mill ad valorem tax on August 19, 1980 (commencing in 1981) to cover its operating expenses. The millage was extended in 1990 for period of ten years. In 1992, the ad valorem tax increased to 11.53 mills due to reassessment of the tax base.

In October 1992 voters approved an additional 10 mill ad valorem tax for a period of ten years beginning with the year 1993 and ending with the year 2002. The tax is to be used for purchasing and maintaining new fire trucks and equipment, and constructing and maintaining a new fire station within the District boundaries in order to enable the District to improve its fire protection rating for its citizens.

NOTE F – CHANGES IN GENERAL FIXED ASSETS

	<u>Balance 12/31/97</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/98</u>
Land	\$ 2,608	\$ -	\$ -	\$ 2,608
Building and improvements	208,302	-	-	208,302
Equipment and furniture	401,021	36,358	-	437,379
	<u>\$ 611,931</u>	<u>\$ 36,358</u>	<u>\$ -</u>	<u>\$ 648,289</u>

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 8

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE G -- LEASES

In March 1991, the District entered into an operating lease agreement with the Town of Abita Springs for a portion of the Abita Springs Fire Station building and grounds. The lease is for a term of ten years beginning on April 1, 1991, and ending on March 31, 2001. It may be renewed for a like term and for the same rental as long as the District remains in existence. The annual rental of \$1 is due on April 1 of each year.

NOTE H -- CHANGES IN GENERAL LONG-TERM OBLIGATIONS

During 1994, the District, pursuant to an election, and authority granted by the State Bond Commission, was authorized to levy a special tax of ten (10) mills for the year 1993 through 2002, and issued its certificates of indebtedness to a bank in the original amount of \$170,000 to finance the purchase and maintenance of new fire trucks and equipment, and construction and maintenance of a new fire station. These certificates have a maturity of nine (9) years and bear interest, which ranges from 4.7% to 5.6%. (At December 31, 1997, the interest rate was 5.2%). Principal payments are due annually on March 1 and interest is payable on March 1 and September 1 of each year. At December 31, 1998, \$24,034 was available in the special revenue fund to transfer to the debt service fund to provide the required debt servicing in 1999.

Annual debt service requirements to maturity, including interest of \$14,232, are as follows:

<u>Year Ending December 31</u>	<u>Amount</u>
1999	\$ 24,034
2000	23,975
2001	22,881
2002	22,754
2003	21,588
	<u>\$ 115,232</u>

There are a number of limitations and restrictions contained in the bond indenture with which the District is in compliance as of December 31, 1998.

NOTE I -- LITIGATION AND CLAIMS

There was no pending or threatened litigation or unasserted claims and assessments at December 31, 1998.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES
FOR COMPLIANCE WITH LAWS AND REGULATIONS**

Board of Commissioners
St. Tammany Parish Fire Protection District No. 8
Abita Springs, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the St. Tammany Parish Fire Protection District No. 8 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended 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 \$5,000 and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public law).

Three expenditures were made during the year for materials and supplies exceeding \$5,000. We examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

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 was one amendment to the budget during the year which was approved on August 26, 1998.

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

We traced the adoption of the original budget to the minutes of the meeting held on December 7, 1997 which indicated that the budget had been adopted by the board of commissioners of the District unanimously. There was one amendment made to the budget during the year and it was adopted by the board of commissioners of the District unanimously on August 26, 1998.

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 and expenditures for the year did not exceed budgeted amounts by more than 5%.

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 of the payments were properly coded to the correct fund and general ledger account.

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

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

MEETINGS

9. Examine evidence indicating that agenda 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 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 and we examined evidence supporting such assertion.

DEBT

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

We inspected copies of all bank deposit slips for the period under examination and noted no 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 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 indicated no approval for the payments noted. We also inspected payroll records for the year and noted no 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 St. Tammany Parish Fire Protection District No. 8 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.


April 29, 1999

APPENDIX F. LOUISIANA ATTESTATION QUESTIONNAIRE

April 16, 1999 Date

Skarda & Silva, LLP
4331 Iberville Street
Mandeville, LA 70471

(Auditors)

In connection with your compilation of our financial statements as of December 31, 1998 and for the period 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 March 1, 1999 (date).

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

Louisiana Governmental Audit Guide

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 44:38.

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 47:1410.60.

Yes [x] No []


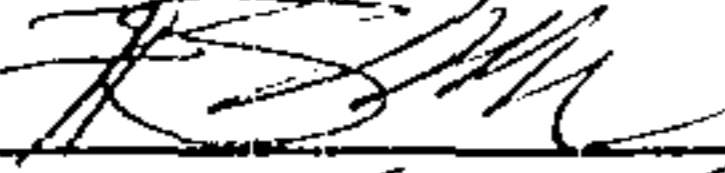

Advances and Bonuses

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.

	Secretary	<u>5/14/99</u>	Date
	Treasurer	<u>5/16/99</u>	Date
	President	<u>5/17/99</u>	Date

Note-Quasi-public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.