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**MAMOU FIRE PROTECTION
DISTRICT NO. 1
Evangeline Parish, Louisiana**
Financial Report
For the Year Ended December 31, 1998

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

Release Date 8. 4. -99

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(A Corporation of Certified Public Accountants)

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Mr. Rheinhard Bieber, President
Mamou Fire Protection District No. 1
909 Cherry St.
Mamou, Louisiana

We have compiled the accompanying general purpose financial statements of the Mamou Fire Protection District No. 1, a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 1998 as listed in the table of contents, and the accompanying supplementary information on pages 10-13, which is presented only for supplementary analysis purposes, in accordance with Statements for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of the Board of Commissioners of Mamou Fire Protection District No. 1. We have not audited or reviewed the accompanying financial statements and supplementary information and, accordingly, do not express an opinion or any other form of assurance on them.

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants

Eunice, Louisiana
June 24, 1999

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Certified Public Accountants

GENERAL PURPOSE FINANCIAL STATEMENTS

MAMOU FIRE PROTECTION DISTRICT NO. 1
Evangeline Parish, Louisiana

All Fund Types And Account Groups

Combined Balance Sheet
December 31, 1998

	Governmental Fund Type <u>General Fund</u>	Account Groups		Total (Memorandum Only)
		General Fixed Assets	General Long-Term Debt	
 ASSETS AND OTHER DEBITS				
Assets:				
Cash and cash equivalents	\$ 170,335	\$ -	\$ -	\$ 170,335
Receivables	137,790	-	-	137,790
Fixed assets	-	823,022	-	823,022
Amount to be provided	-	-	285,000	285,000
 TOTAL ASSETS AND OTHER DEBITS	 \$ 308,125	\$ 823,022	\$ 285,000	\$ 1,416,147
 LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ 542	\$ -	\$ -	\$ 542
Certificates of Indebtedness	-	-	285,000	285,000
Total liabilities	542	-	285,000	285,542
 Equity and Other Credits:				
Investments in general fixed assets	-	823,022	-	823,022
Fund Balance:				
Unreserved - Undesignated	307,601	-	-	307,601
Total equity and other credits	307,601	823,022	-	1,130,623
 TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	 \$ 308,143	\$ 823,022	\$ 285,000	\$ 1,416,165

See accompanying notes and accountant's report.

MAMOU FIRE PROTECTION DISTRICT NO. 1
Evangeline Parish, Louisiana

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For The Year Ended December 31, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 125,000	\$ 137,790	\$ 12,790
State	30,000	10,159	(19,841)
Interest	7,500	9,561	2,061
Forestry Grant	500	811	311
Miscellaneous	<u>11,000</u>	<u>11,773</u>	<u>773</u>
Total revenues	<u>174,000</u>	<u>170,094</u>	<u>(3,906)</u>
Expenditures:			
Current Operating -			
Contract labor	-	1,175	(1,175)
Truck & building maintenance	20,000	14,223	5,777
Supplies	2,000	2,651	(651)
Salaries and wages	11,600	12,515	(915)
Payroll taxes	2,500	2,136	364
Utilities/telephone	8,000	6,879	1,121
Insurance	20,000	16,850	3,150
Per diem paid board members	1,800	1,710	90
Legal and accounting	3,000	1,250	1,750
Volunteer Firemen reimbursement	19,000	17,493	1,507
Office expense	1,000	826	174
Fireman training	1,500	1,494	6
Equipment rental	2,000	1,420	580
Communications equipment	5,000	6,383	(1,383)
Legal ads	750	228	522
Miscellaneous	2,780	2,784	(4)
Principal payments	30,000	30,000	-
Interest payments	<u>17,250</u>	<u>17,250</u>	<u>-</u>
Total expenditures	<u>148,180</u>	<u>137,267</u>	<u>10,913</u>
Excess of revenues over expenditures	<u>\$ 25,820</u>	32,827	<u>\$ 7,007</u>
Fund balance, beginning		<u>274,774</u>	
Fund balance, ending		<u>\$ 307,601</u>	

See accompanying notes and accountant's report.

MAMOU FIRE PROTECTION DISTRICT NO. 1
Evangeline Parish, Louisiana

Notes to Financial Statements

A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mamou Fire Protection District No. 1 of Evangeline Parish was created by the Evangeline Parish Police Jury, as authorized by Louisiana Revised Statutes 40:1491-1493. The Fire District is governed by a five member board of commissioners appointed by the Evangeline Parish Police Jury. The district is authorized to construct, maintain, and improve the system of fire protection within the district.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Evangeline Parish Police Jury is the financial reporting entity for Evangeline 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 Evangeline 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 to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are 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.

The Mamou Fire Protection District No. 1 is a component unit of the Evangeline Parish Police Jury due to the oversight responsibility of the Police Jury and its appointment of the board members of the fire district.

B FUND ACCOUNTING

The Fire 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 relating to certain government functions or activities.

MAMOU FIRE PROTECTION DISTRICT NO. 1
Evangeline Parish, Louisiana

Notes to Financial Statements (continued)

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

C BASIS OF ACCOUNTING

The financial statements of the Mamou Fire Protection District No. 1 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government 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 policies are described below.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All major revenues are susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due.

D BUDGET AND BUDGETARY ACCOUNTING

The Fire District adopts a budget for the General Fund during December of the year preceding the year budgeted. All budgetary items are from the original budget adopted by the Fire District.

E ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not employed by the Fire District.

MAMOU FIRE PROTECTION DISTRICT NO. 1
Evangeline Parish, Louisiana

Notes to Financial Statements (continued)

F CASH AND CASH EQUIVALENTS AND INVESTMENTS

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.

G FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Estimated amounts are immaterial in relation to total fixed assets.

H LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from the General Fund are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

I TOTAL COLUMNS

Total columns 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. Interfund eliminations have not been made in the aggregation of this data.

J USE OF ESTIMATES

The preparation of the financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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

K PER DIEM PAID BOARD MEMBERS

A summary of per diem paid to Board members for the year ended December 31, 1998 is as follows:

Spencer Long	\$ 360
Rheinhard Bieber	330
Tique Manuel	330
Earl LaFleur	330
Greg Monier	<u>360</u>
Total	<u>\$1,710</u>

MAMOU FIRE PROTECTION DISTRICT NO. 1
Evangeline Parish, Louisiana

Notes to Financial Statements (continued)

I. RETIREMENT SYSTEM

The employees of the district are covered by social security.

M AD VALOREM TAXES

Taxes are levied by the District in October and are actually billed by the Evangeline Parish Sheriff's Department in November. Billed taxes become delinquent on December 31. The Sheriff's Department sends out past due notices in early February. In May, the Sheriff advertises a sale on all property for which taxes have not been paid and the Sheriff's sale is held during June.

For the year ended December 31, 1998, taxes of 8.00 mills were levied on property and were dedicated to Fire Protection.

N GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 1/1/98	Additions	Deletions	Balance 12/31/98
Buildings and improvements	\$ 159,683	\$ -	\$ -	\$ 159,683
Equipment	<u>656,956</u>	<u>6,383</u>	<u>-</u>	<u>663,339</u>
Total	<u>\$ 816,639</u>	<u>\$ 6,383</u>	<u>\$ -</u>	<u>\$ 823,022</u>

O LONG TERM DEBT

During 1995, the Fire District issued \$375,000 in Certificates of Indebtedness, at an interest rate of 5.75%, secured by revenues of the District's Millage Tax. The proceeds were used to purchase 3 fire trucks. Principal payments are due annually on March 1 of each year and interest payments are due semi-annually on March 1 and September 1 of each year through March 1, 2005. Principal payments to maturity are as follows:

1999	\$ 35,000
2000	35,000
2001	40,000
2002	40,000
2003-2005	<u>135,000</u>
Total	<u>\$285,000</u>

MAMOU FIRE PROTECTION DISTRICT NO. 1
Evangeline Parish, Louisiana

Notes to Financial Statements (continued)

A summary of changes in general long-term debt follows:

	<u>Balance 1/1/98</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/98</u>
Certificates of Indebtedness	<u>\$ 315,000</u>	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 285,000</u>

SUPPLEMENTARY INFORMATION



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Independent Accountant's Report on Applying Agreed-Upon Procedures

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Board of Commissioners
Mamou Fire Protection District No. 1
Mamou, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Mamou Fire Protection District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Mamou Fire Protection District No. 1's compliance with certain laws and regulations during the year ended December 31, 1998, included in the 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 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, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There is one such purchase exceeding \$5,000 and no public works exceeding \$50,000. The purchase was made in accordance with the public bid law,

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 required list.

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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. 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 of a meeting held on March 2, 1998 which indicated that the budget had been adopted. No amendments were made to the budget during the year.

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 exceed budgeted revenues by 5%. 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.

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).

A notice of each meeting and the accompanying agenda is posted on the door of the meeting place. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion. Minutes of Meeting are printed in the local newspaper.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks 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 any such payments. 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 Mamou Fire Protection District No. 1 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.

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants

Eunice, Louisiana
June 24, 1999