

Financial Report
Schriever Fire Protection District
Schriever, Louisiana
December 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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.

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TABLE OF CONTENTS

Schriever Fire Protection District

December 31, 2003

	<u>Exhibits</u>	<u>Page Number</u>
Introductory Section		
Title Page		i
Table of Contents		ii - iii
Financial Section		
Independent Auditor's Report		1 - 2
Management's Discussion and Analysis		3 - 8
Basic Financial Statements:		
Government-wide and Fund Financial Statements:		
Statement of Net Assets and Governmental Fund Balance Sheet	A	9
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets	B	10
Statement of Activities and Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances	C	11
Reconciliation of the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	D	12
Statement of Governmental Fund Revenues, Expenditures And Changes in Fund Balance -- Budget and Actual -- General Fund	E	13
Notes to Financial Statements	F	14 - 27

TABLE OF CONTENTS
(Continued)

	<u>Schedules</u>	<u>Page Number</u>
Supplementary Information Section		
Independent Auditor's Report on Additional Information		28
Schedule of Governmental Fund Revenues and Expenditures for the Years Ended December 31, 2003, 2002 and 2001	1	29
Graph of Governmental Fund Revenues for the Years Ended December 31, 2003, 2002 and 2001	2	30
Graph of Governmental Fund Expenditures for the Years Ended December 31, 2003, 2002 and 2001	3	31
Special Reports Of Certified Public Accountants		
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Basic Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>		32 – 33
Schedule of Findings		34 – 35
Reports By Management		
Schedule of Prior Year Findings		36
Management's Corrective Action Plan		37

FINANCIAL SECTION



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners,
Schriever Fire Protection District,
Schriever, Louisiana.

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Schriever Fire Protection District (the District), a component unit of Terrebonne Parish Consolidated Government, State of Louisiana, as of and for the year ended December 31, 2003, which collectively comprise the District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Schriever Fire Protection District as of December 31, 2003, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis on pages 3 through 8 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, we have also issued our report dated May 20, 2004 on our consideration of Schriever Fire Protection District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
May 20, 2004.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Schriever Fire Protection District

The Management's Discussion and Analysis of the Schriever Fire Protection District (the District) financial performance presents a narrative overview and analysis of the District's financial activities for the year ended December 31, 2003. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The District's assets exceeded its liabilities at the close of fiscal year 2003 by \$227,149 (net assets), which represents a 10.08% increase from last fiscal year.

The District's revenue increased \$11,925 (or 5.35%) primarily due to the increase in Ad Valorem taxes and the receipt of a state grant.

The District's expenditures decreased \$441 (or 0.21%).

The District did not have any funds with deficit fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's annual report consists of four parts: (1) management's discussion and analysis (this section) (2) basic financial statements (3) the optional section that presents other supplementary information and (4) various governmental compliance reports and schedules by certified public accountants and management.

The basic financial statements include two kinds of statements that present different views of the District:

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business. The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. The statement of activities presents information showing how the District's net assets change during each fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs regardless of the timing related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The governmental activity of the District is fire protection.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the District are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Special Revenue fund. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 9-13 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provide in the government-wide and fund financial statements. The notes to the financial statements can be found in Exhibit F of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. As of December 31, 2003, assets exceeded liabilities by \$227,149. A large portion of the District's net assets (27.60%) reflects its investment in capital assets (e.g., buildings; office furniture, fixtures and equipment; machinery and equipment (includes fire trucks)). Consequently, these assets are not available for future spending.

Condensed Statements of Net Assets

	December 31,		Dollar Change
	2003	2002	
Current and other assets	\$ 433,358	\$ 357,606	\$ 75,752
Capital assets	801,613	860,848	(59,235)
Total assets	1,234,971	1,218,454	16,517
Current and other liabilities	292,822	262,106	30,716
Long-term liabilities	715,000	750,000	(35,000)
Total liabilities	1,007,822	1,012,106	(4,284)
Net Assets:			
Invested in capital assets, net of related debt	62,691	88,358	(25,667)
Restricted	77,409	78,510	(1,101)
Unrestricted	87,049	39,480	47,569
Total net assets	\$ 227,149	\$ 206,348	\$ 20,801

The amount of current and other assets increased mainly due to the amount of investments increasing. The amount of capital assets decreased in 2003 since there were no major capital assets purchased and depreciation for the year exceeded the amount of capital assets purchased.

The amount of current and other liabilities increased mainly due to the amount of money payable to Terrebonne Parish Consolidated Government increasing. The amount of long-term liabilities decreased due to the 2003 payment on principal.

Governmental Activities

Governmental activities increased the District's net assets by \$20,801. Key elements of this increase are as follows:

Condensed Changes in Net Assets

	December 31,		Dollar Change	Total Percent Change
	2003	2002		
Revenues:				
Taxes	\$ 190,614	\$ 178,337	\$ 12,277	6.88%
Intergovernmental	42,096	32,793	9,303	28.37%
Miscellaneous	2,256	11,911	(9,655)	-81.06%
Total revenues	<u>234,966</u>	<u>223,041</u>	<u>11,925</u>	5.35%
Expenses:				
General Government	14,544	11,510	3,034	26.36%
Public Safety	156,845	158,951	(2,106)	-1.32%
Debt Service	42,776	44,145	(1,369)	-3.10%
Total expenses	<u>214,165</u>	<u>214,606</u>	<u>(441)</u>	-0.21%
Increase in net assets	20,801	8,435	12,366	146.60%
Net assets beginning of year	206,348	197,913	8,435	4.26%
Net assets end of year	<u>\$ 227,149</u>	<u>\$ 206,348</u>	<u>\$ 20,801</u>	10.08%

The amount of intergovernmental revenues increased due to the increase in Ad Valorem taxes and the state grant that was received in 2003. The amount of miscellaneous revenues decreased due to the adjustment made to capital assets in 2002 and there was no adjustment required in 2003. There was a small increase in the general government expenditures due to the increase in Ad Valorem tax revenue.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$177,909, an increase of \$45,997 in comparison with the prior year. An unreserved fund balance of \$87,049 is available for spending at the District's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to debt service.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the fund balance of the general fund was \$87,049, which was unreserved. The fund balance of the District's General Fund increased by \$47,569 during the current fiscal year. The key factor of this increase was largely due to the increase in Ad Valorem taxes.

General Fund Budgetary Highlights

The budget was amended one time during the year. The primary reason for amending the budget was to prevent compliance violations under state law. The major difference between the original General Fund budget and the final amended budget was the grant revenue of approximately \$5,000 that was received during the year, but not expected when the original budget was adopted, and the expenditure of the revenue which was in other services and charges and capital outlay.

During the year, revenues exceeded budgetary estimates and expenditures were less than budgetary estimates.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2003, amounts to \$801,613 (net of accumulated depreciation). This investment in capital assets includes buildings, office furniture, fixtures and equipment; and vehicles, machinery and equipment (see table below).

	<u>2003</u>	<u>2002</u>
Buildings	\$ 416,952	\$ 416,952
Office furniture, fixtures and equipment	10,224	7,924
Vehicles, machinery and equipment	<u>737,944</u>	<u>728,414</u>
 Totals	 <u>\$ 1,165,120</u>	 <u>\$ 1,153,290</u>

Major capital asset events during the current fiscal year included the following:

- Purchase of 5 portable radios, ventilation fan, 2 hose nozzles, stabilization set (fire rescue equipment)
- Purchase of a printer to make name tags for firemen

Additional information on the District's capital assets can be found in the Note 5, Exhibit F of this report.

Long-term Debt

At December 31, 2003, the District had \$750,000 in long-term debt outstanding down from \$785,000 for a decrease of \$35,000, which was the amount of 2003 principal payments on outstanding debt. More detailed information about the District's long-term debt is presented in Note 7, Exhibit F of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Directors considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- The Ad Valorem Tax revenue budgeted represents the estimated amount of the November 2003 assessment, which the District will receive, for the most part, in January 2004.
- Additional income is shown from federal grant money. The Schriever Volunteer Fire Department was awarded a federal grant for 2004.
- Expenditures increased to show the spending of the grant. Uniforms and air packs will be purchased.
- The remaining expenditures are expected to remain in line with 2003 expenditures.
- Capital outlay contains an apparatus purchase account to help fund the purchase of a new fire truck.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Board of Directors of the Schriever Fire Protection District, 1529 West Park Avenue, P.O. Box 83, Schriever LA, 70395.

STATEMENT OF NET ASSETS AND GOVERNMENTAL FUND BALANCE SHEET**Schriever Fire Protection District**

December 31, 2003

	General Fund	Debt Service Fund	Total	Adjustments (Exhibit B)	Statement of Net Assets
Assets					
Investments	\$ 115,956	\$ 102,560	\$ 218,516	\$ -	\$ 218,516
Receivables - taxes	19,749	14,415	34,164	-	34,164
Due from other governmental units	101,001	64,396	165,397	-	165,397
Due from Terrebonne Parish Consolidated Government	4,203	-	4,203	-	4,203
Deferred bond issuance costs	-	-	-	11,078	11,078
Capital assets - Depreciable, net of accumulated depreciation	-	-	-	801,613	801,613
Total assets	\$ 240,909	\$ 181,371	\$ 422,280	812,691	1,234,971
Liabilities					
Accounts payables and accrued expenditures	\$ 7,694	\$ 3,812	\$ 11,506	13,451	24,957
Due to Terrebonne Parish Consolidated Government	14,610	-	14,610	-	14,610
Deferred revenue	131,556	86,699	218,255	-	218,255
Long-term liabilities:					
Due within one year	-	-	-	35,000	35,000
Due after one year	-	-	-	715,000	715,000
Total liabilities	153,860	90,511	244,371	763,451	1,007,822
Fund Balances/Net Assets					
Fund balances:					
Reserved - debt service	-	90,860	90,860	(90,860)	-
Unreserved - undesignated	87,049	-	87,049	(87,049)	-
Total fund balances	87,049	90,860	177,909	(177,909)	-
Total liabilities and fund balances	\$ 240,909	\$ 181,371	\$ 422,280		
Net assets:					
Invested in capital assets, net of related debt				62,691	62,691
Restricted - debt service				77,409	77,409
Unrestricted				87,049	87,049
Total net assets				\$ 227,149	\$ 227,149

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET ASSETS**

Schriever Fire Protection District

December 31, 2003

Fund Balances - Governmental Fund		\$ 177,909
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.</p>		
Governmental capital assets	\$ 1,165,120	
Less accumulated depreciation	<u>(363,507)</u>	801,613
<p>Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>		
Deferred bond issuance costs	12,510	
Less current year amortization	<u>(1,432)</u>	11,078
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
Governmental bonds payable	(750,000)	
Accrued interest payable	<u>(13,451)</u>	<u>(763,451)</u>
Net Assets of Governmental Activities		<u>\$ 227,149</u>

See notes to financial statements.

**STATEMENT OF ACTIVITIES AND STATEMENT OF
GOVERNMENTAL FUND REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES**

Schriever Fire Protection District

For the year ended December 31, 2003

	General Fund	Debt Service Fund	Total	Adjustments (Exhibit D)	Statement of Activities
Revenues					
Taxes	\$ 110,369	\$ 80,245	\$ 190,614	\$ -	\$ 190,614
Intergovernmental:					
State of Louisiana:					
State revenue sharing	12,635	-	12,635	-	12,635
Fire insurance tax	24,283	-	24,283	-	24,283
Grant	5,178	-	5,178	-	5,178
Miscellaneous - Interest	1,119	1,137	2,256	-	2,256
Total revenues	<u>153,584</u>	<u>81,382</u>	<u>234,966</u>	<u>-</u>	<u>234,966</u>
Expenditures/Expenses					
Current:					
General government:					
Ad valorem tax adjustment	3,406	2,490	5,896	-	5,896
Ad valorem tax deductions	4,999	3,649	8,648	-	8,648
Total general government	<u>8,405</u>	<u>6,139</u>	<u>14,544</u>	<u>-</u>	<u>14,544</u>
Public safety:					
Personal services	3,361	-	3,361	-	3,361
Supplies and materials	13,381	-	13,381	-	13,381
Other services and charges	49,180	-	49,180	-	49,180
Repairs and maintenance	19,858	-	19,858	-	19,858
Depreciation	-	-	-	71,065	71,065
Total public safety	<u>85,780</u>	<u>-</u>	<u>85,780</u>	<u>71,065</u>	<u>156,845</u>
Debt service:					
Principal retirement	-	35,000	35,000	(35,000)	-
Interest and fiscal charges	-	41,815	41,815	961	42,776
Total debt service	<u>-</u>	<u>76,815</u>	<u>76,815</u>	<u>(34,039)</u>	<u>42,776</u>
Capital outlay	<u>11,830</u>	<u>-</u>	<u>11,830</u>	<u>(11,830)</u>	<u>-</u>
Total expenditures/expenses	<u>106,015</u>	<u>82,954</u>	<u>188,969</u>	<u>25,196</u>	<u>214,165</u>
Excess (Deficiency) of Revenues Over Expenditures	47,569	(1,572)	45,997	(45,997)	-
Change in Net Assets	-	-	-	20,801	20,801
Fund Balances/Net Assets					
Beginning of year	39,480	92,432	131,912	74,436	206,348
End of year	<u>\$ 87,049</u>	<u>\$ 90,860</u>	<u>\$ 177,909</u>	<u>\$ 49,240</u>	<u>\$ 227,149</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL
FUND REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES**

Schriever Fire Protection District

For the year ended December 31, 2003

Net Change in Fund Balances - Governmental Fund **\$ 45,997**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 11,830	
Depreciation expense	<u>(71,065)</u>	
Excess of capital outlay over depreciation expense		(59,235)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal payments		35,000
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Some expenditures reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of deferred bond issuance costs	(1,432)	
Decrease in accrued interest payable	<u>471</u>	<u>(961)</u>

Change in Net Assets of Governmental Activities **\$ 20,801**

See notes to financial statements.

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

Schriever Fire Protection District

For the year ended December 31, 2003

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 108,500	\$ 108,500	\$ 110,369	\$ 1,869
Intergovernmental:				
State of Louisiana:				
State revenue sharing	12,900	12,900	12,635	(265)
Fire insurance tax	18,000	18,000	24,283	6,283
Grant	-	5,178	5,178	-
Miscellaneous - interest	700	700	1,119	419
Total revenues	140,100	145,278	153,584	8,306
Expenditures				
Current:				
General government:				
Ad valorem tax adjustment	3,500	3,500	3,406	94
Ad valorem tax deductions	5,000	5,000	4,999	1
Total general government	8,500	8,500	8,405	95
Public safety:				
Personal services	1,500	1,500	3,361	(1,861)
Supplies and materials	28,950	28,950	13,381	15,569
Other services and charges	54,900	58,725	49,180	9,545
Repairs and maintenance	17,250	17,250	19,858	(2,608)
Total public safety	102,600	106,425	85,780	20,645
Capital outlay	44,000	45,353	11,830	33,523
Total expenditures	155,100	160,278	106,015	54,263
Excess (Deficiency) of Revenues Over Expenditures	(15,000)	(15,000)	47,569	62,569
Fund Balance/Net Assets				
Beginning of Year	15,000	15,000	39,480	24,480
End of Year	\$ -	\$ -	\$ 87,049	\$ 87,049

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Schriever Fire Protection District

December 31, 2003

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Schriever Fire Protection District (the District) conform to accounting principles generally accepted in the United States of America 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 following is a summary of significant accounting policies:

a) Reporting Entity

The District is a component unit of Terrebonne Parish Consolidated Government (the Parish) and as such, these financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ended December 31, 2003.

The District has reviewed all of its activities and determined that there are no potential component units which should be included in its financial statements.

b) Basis of Presentation

The District's basic financial statements consist of the government-wide statements on all activities of the District and the governmental fund financial statements (individual major funds).

Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Assets and the Statement of Activities for all activities of the District. As a general rule, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Basis of Presentation (continued)

Fund Financial Statements:

The fund financial statements are very similar to the traditional government fund statements as presented by governments prior to the issuance of Statement No. 34. Emphasis is now on the major funds in governmental categories. The daily accounts and operations of the District continue to be organized on the basis of a fund and accounts groups, each of which is considered a separate accounting entity. The operations of the fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Government resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following are the Governmental Funds of the District:

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

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs and is reported as a major fund.

c) Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Government-wide Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Measurement Focus and Basis of Accounting (continued)

Fund Financial Statements:

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. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Ad valorem taxes and the related state revenue sharing (Intergovernmental revenue) are recorded as revenue in the period for which levied. Thus, the 2003 property taxes which are being levied to finance the 2004 budget will be recognized as revenue in 2004. The 2003 tax levy is recorded as deferred revenue in the District's 2003 Financial Statements. Miscellaneous revenues are recorded as revenues when received in cash by the District or an intermediary collecting agency because they are generally not measurable or available until actually received. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due. Allocations of cost such as depreciation are not recognized in the governmental funds.

d) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Operating Budgetary Data

As required by the Louisiana Revised Statute 39:1303, the Board of Commissioners (the Board) adopted a budget for the District's General Fund. The Board, as allowed by state law, does not obtain public participation in the budget process. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. The District did not amend its budget during the year. All budgeted amounts which are not expended, or obligated through contracts, lapse at year-end.

The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

f) Accounts Receivable

The financial statements for the District contain no allowance for uncollectible accounts. Uncollectible receivables due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) Investments

Investments are stated at fair value as established by open market, except for the Louisiana Asset Management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met.

Investments during the year consisted of Certificates of Deposit, Federal National Mortgage Association Notes and Discount Notes, Federal Home Loan Bank Notes and Discount Notes, Federal Home Loan Mortgage Corporation Notes and LAMP.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Deferred Bond Issuance Costs

The District has recorded deferred bond issuance costs in its government-wide financial statements. Deferred bond issuance costs are amortized over the term of the related debt.

i) Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets purchased or acquired with an original cost of \$500 or more are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Machinery and equipment	5 - 20 years
Office furniture, fixtures and equipment	5 - 6 years

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Long-Term Debt

The accounting treatment of long-term debt depends on whether they are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists of general obligation bonds.

Fund Financial Statements:

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principle and interest reported as expenditures.

k) Fund Equity

Government-wide Statements:

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Fund Equity (continued)

Fund Financial Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Note 2 - DEPOSITS AND INVESTMENTS

District monies are held in a cash and investment pool maintained by the Parish and are available for use by all funds. The District's portion of this pool is displayed on the Statement of Net Assets and Governmental Fund Balance Sheet as "cash" and "investments."

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana or any other federally insured investment.

Bank Deposits:

State law requires deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivision are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the District or its agent in the District's name.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the District's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution or its trust department or agent but not in the District's name.

The year-end balances of deposits are as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Investments:				
Certificates of deposit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,566</u>	<u>\$ 189,566</u>

As mentioned previously, funds are held and invested by the Parish who has proper pledging to cover funds for the District.

Investments:

State statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities; commercial paper rated AAA 1, 2, or 3; repurchase agreements; and the Louisiana Asset Management Pool.

The District's investments are categorized to give an indication of the level of risk assumed by the entity at year-end.

Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name.

Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent, but not in the District's name.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

At year-end, the amount of investments is as follows:

	Risk Category			Reported Amount/ Fair Value
	1	2	3	
Investments subject to categorization:				
Federal Home Loan Mortgage Corporation Note	<u>\$10,359</u>	<u>\$ -</u>	<u>\$ -</u>	\$10,376
Investments not subject to categorization:				
Louisiana Asset Management Pool (LAMP)				<u>18,574</u>
Total investments:				<u>\$28,950</u>

Investments held at December 31, 2003 consist of \$18,574 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2003 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities.

Note 2 - DEPOSITS AND INVESTMENTS (Continued)

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

A reconciliation of deposits and investments as shown on the Statement of Net Assets and Governmental Fund Balance Sheet for the District is as follows:

Reported amount of deposits	\$189,566
Reported amount of investments	<u>28,950</u>
Total	<u>\$218,516</u>
Investments	<u>\$218,516</u>

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Terrebonne Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 2000. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2003 was \$6.85 per \$1,000 of assessed valuation on property within Schriever Fire Protection District for the purpose of acquiring, constructing, maintaining and operating fire protection facilities within the District and paying the cost of obtaining water for the fire protection purposes, including fire hydrant rentals and services and \$5.00 per \$1,000 of assessed valuation for the payment of principal and interest. As indicated in Note 1c, taxes levied November 1, 2003 are for budgeted expenditures in 2004 and will be recognized as revenues in 2004.

Note 4 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 2003 consisted of the following:

	<u>General Fund</u>	<u>Debt Service Fund</u>
State of Louisiana - State revenue sharing	\$ 8,519	\$ -
Terrebonne Parish Tax Collector - December, 2003 collections remitted to the District in January, 2004:		
Ad valorem taxes	88,222	64,396
State revenue sharing	<u>4,260</u>	<u>-</u>
Totals	<u>\$101,001</u>	<u>\$64,396</u>

**Exhibit F
(Continued)**

Note 5 - CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2003 was as follows:

	<u>Balance January 1, 2003</u>	<u>Additions</u>	<u>Balance December 31, 2003</u>
Capital assets being depreciated:			
Buildings	\$ 416,952	\$ -	\$ 416,952
Office furniture, fixtures and equipment	7,924	2,300	10,224
Vehicles, machinery and equipment	<u>728,414</u>	<u>9,530</u>	<u>737,944</u>
Total capital assets being depreciated	<u>1,153,290</u>	<u>11,830</u>	<u>1,165,120</u>
Less accumulated depreciation for:			
Buildings	(23,537)	(10,424)	(33,961)
Office furniture, fixtures and equipment	(5,416)	(946)	(6,362)
Vehicles, machinery and equipment	<u>(263,489)</u>	<u>(59,695)</u>	<u>(323,184)</u>
Total accumulated depreciation	<u>(292,442)</u>	<u>(71,065)</u>	<u>(363,507)</u>
Total capital assets, net	<u>\$ 860,848</u>	<u>\$ (59,235)</u>	<u>\$ 801,613</u>

There are numerous assets, vehicles and equipment used by the District which were purchased by a not-for-profit volunteer fire company. These assets remain in the name of the volunteer fire company and accordingly are not included in the General Fixed Assets Account Group of the District.

Note 6 – ACCOUNTS PAYABLE AND ACCRUED EXPENDITURES

Accounts payable and accrued expenditures at December 31, 2003 consisted of the following:

	General Fund	Debt Service Fund	Total
Governmental activities			
Vendors	\$ 2,471	\$ -	\$ 2,471
Protest taxes	5,222	3,812	9,034
Total governmental activities	7,693	3,812	11,505
Accrued interest on long-term debt	-	13,451	13,451
Totals	\$ 7,693	\$ 17,263	\$ 24,956

Note 7 - CHANGES IN LONG-TERM DEBT

At December 31, 2003, the District had outstanding general obligation bonds totaling \$750,000 bearing interest from 4% to 8%, with an average rate of 5.2% over the life of the bonds. The bonds are repayable through March 1, 2017 primarily from ad valorem tax revenues.

The following is a summary of the changes in long-term debt for the year ended December 31, 2003:

Bonds payable at January 1, 2003	\$785,000
Bonds retired	<u>(35,000)</u>
Bonds payable at December 31, 2003	<u>\$750,000</u>

Note 7 - CHANGES IN LONG-TERM DEBT (Continued)

The requirements to amortize all long-term debt outstanding at December 31, 2003 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 35,000	\$ 39,628	\$ 74,628
2005	35,000	37,965	72,965
2006	40,000	35,710	75,710
2007	40,000	32,730	72,730
2008	45,000	30,005	70,005
2009-2013	270,000	111,166	381,166
2014-2017	<u>285,000</u>	<u>30,844</u>	<u>315,844</u>
Totals	<u>\$750,000</u>	<u>\$318,048</u>	<u>\$1,068,048</u>

Note 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. No settlements were made during the year that exceeded the District's insurance coverage.

Note 9 - COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members for the year ended December 31, 2003.

Note 10 - CONTINGENCY

During 1999, the District engaged a general contractor for the construction of a new fire station. On October 14, 1999, the District dismissed the general contractor for substandard and untimely work. The district hired various subcontractors and completed the building in the first quarter of 2000. All subcontractors hired to complete the building were paid in full by the District. After dismissal, the general contractor invoiced the District for the balance of the original contract price. The District has refused payment. Accordingly, the District has not recognized any liabilities for incomplete work billed by the general contractor. The District intends to vigorously defend itself against any legal action that may be undertaken by the general contractor.

SUPPLEMENTARY INFORMATION SECTION



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Board of Commissioners,
Schriever Fire Protection District,
Schriever, Louisiana.

Our report on our audit of the basic financial statements of Schriever Fire Protection District (the District) for the year ended December 31, 2003, appears on pages 1 and 2. That audit was conducted for the purpose of forming an opinion on such financial statements taken as a whole. The information contained in the schedule of governmental fund revenues and expenditures and graphs of governmental fund revenues and expenditures for the year ended December 31, 2003 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2003, taken as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the governmental fund balance sheets of Schriever Fire Protection District as of December 31, 2002 and 2001, and the related statements of governmental fund revenues, expenditures and changes in fund balance for each of the two years in the period ended December 31, 2002 (none of which is presented herein), and we expressed unqualified opinions on those financial statements. In our opinion, the information presented in the schedule of governmental fund revenues and expenditures and graphs of governmental fund revenues and expenditures for the years ended December 31, 2002 and 2001 is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
May 20, 2004.

SCHEDULE OF GOVERNMENTAL FUND REVENUES AND EXPENDITURES**Schriever Fire Protection District**

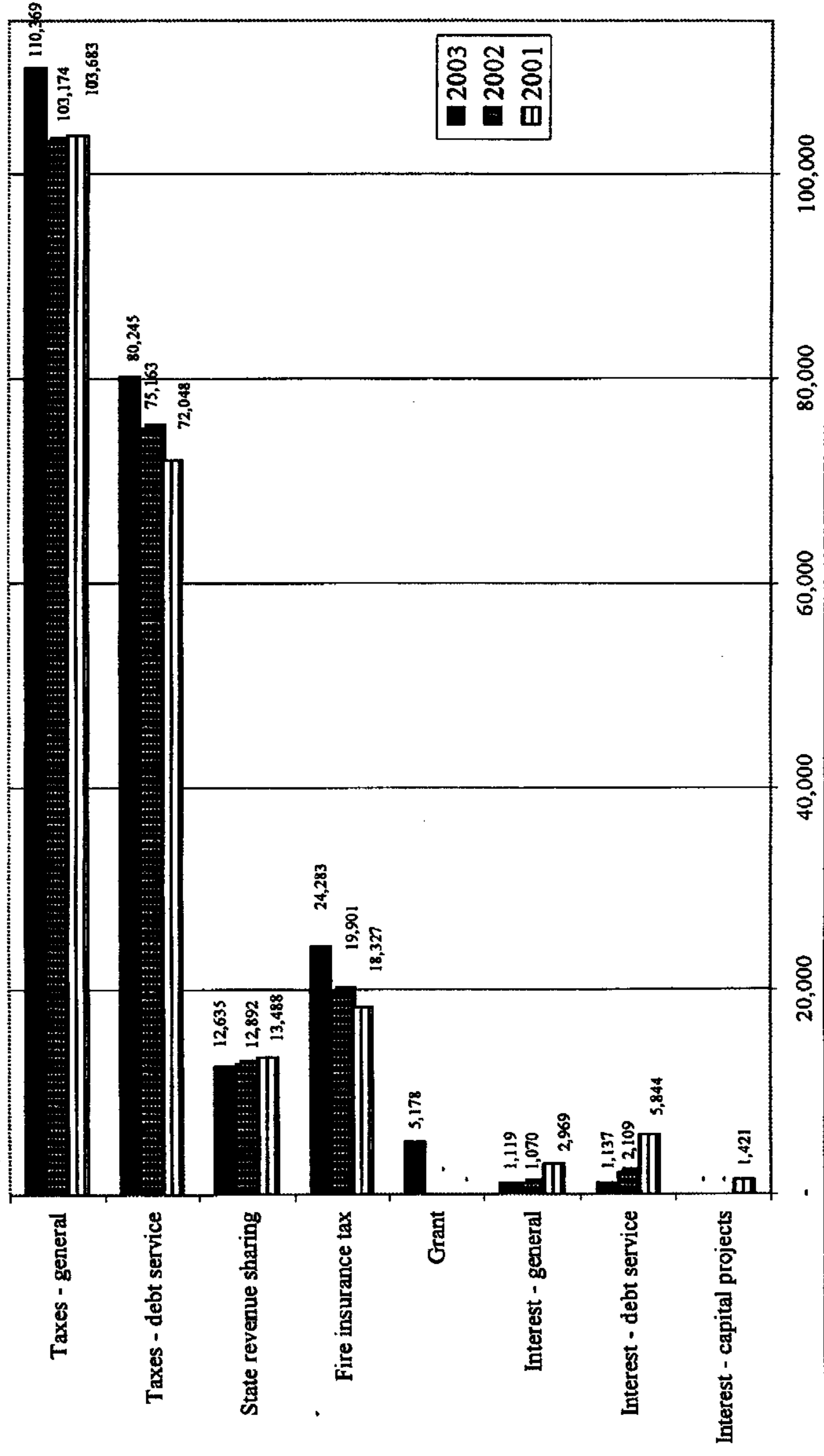
For the years ended December 31, 2003, 2002 and 2001

	<u>2003</u>	<u>2002</u>	<u>2001</u>
Revenues			
Taxes - general	\$ 110,369	\$ 103,174	\$ 103,683
Taxes - debt service	80,245	75,163	72,048
State revenue sharing	12,635	12,892	13,488
Fire insurance tax	24,283	19,901	18,327
Grant	5,178	-	-
Interest - general	1,119	1,070	2,969
Interest - debt service	1,137	2,109	5,844
Interest - capital projects	-	-	1,421
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 234,966</u>	<u>\$ 214,309</u>	<u>\$ 217,780</u>
Expenditures			
General government - general	\$ 8,405	\$ 6,652	\$ 15,738
General government - debt service	6,139	4,858	11,102
Personal services	3,361	1,388	1,692
Supplies and materials	13,381	24,127	18,778
Other services and charges	49,180	43,076	46,294
Repairs and maintenance	19,858	20,251	8,656
Principal retirement	35,000	30,000	30,000
Interest and fiscal charges	41,815	43,040	43,602
Capital outlay	11,830	12,146	39,060
Capital expenditures	-	-	54,124
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$ 188,969</u>	<u>\$ 185,538</u>	<u>\$ 269,046</u>

GOVERNMENTAL FUND REVENUES

Schriever Fire Protection District

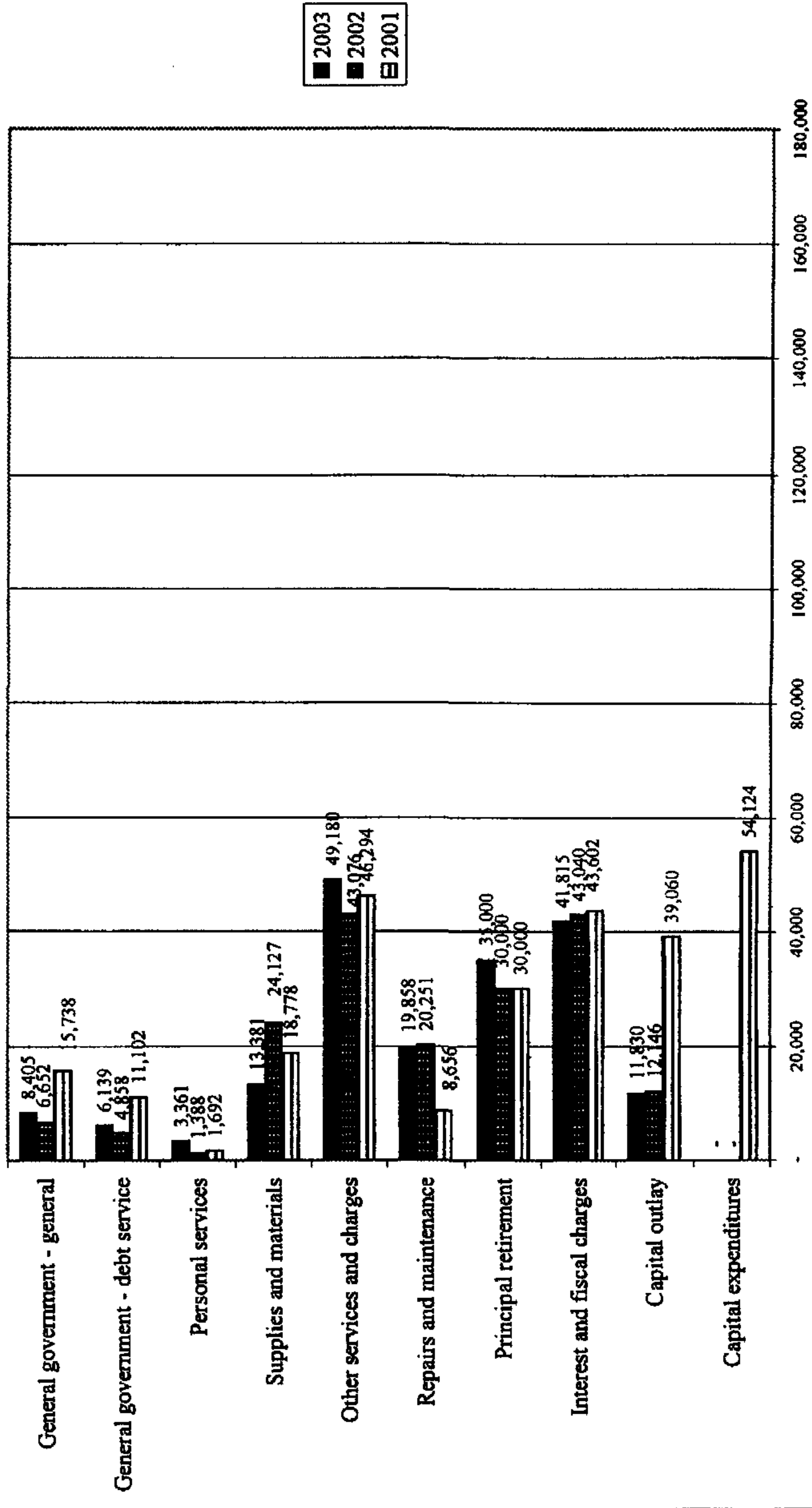
For the years ended December 31, 2003, 2002 and 2001



GOVERNMENTAL FUND EXPENDITURES

Schiever Fire Protection District

For the years ended December 31, 2003, 2002 and 2001



SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

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

To the Board of Commissioners,
Schriever Fire Protection District,
Schriever, Louisiana.

We have audited the basic financial statements of Schriever Fire Protection District (the District), a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2003, and have issued our report thereon dated May 20, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards, which is described in the accompanying schedule of findings as 03-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management, the State of Louisiana and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
May 20, 2004.

SCHEDULE OF FINDINGS

Schriever Fire Protection District

For the year ended December 31, 2003

Section I Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Reportable condition(s) identified that are not
 considered to be material weaknesses? yes none reported

- Noncompliance material to financial statements noted? yes no

b) Federal Awards

Schriever Fire Protection District did not receive federal awards during the year ended December 31, 2003.

Section II Financial Statement Findings

Internal Control

No material weaknesses were noted during the audit for the year ended December 31, 2003.
No reportable conditions were noted during the audit for the year ended December 31, 2003.

Compliance

03-1 **Criteria** - Louisiana Revised Statutes 43:171-177 and 43:143 require that all minutes, ordinances, resolutions, budgets and other official proceedings of the District be published in the official journal.

Condition - The District did not publish all official proceedings of the Board in the official journal.

Questioned Cost - None

SCHEDULE OF FINDINGS
(Continued)

Schriever Fire Protection District

For the year ended December 31, 2003

Section II Financial Statement Findings (Continued)

Context - Not applicable.

Effect - The District was noncompliant with state law, and the public was not able to be fully informed about the proceedings of the District.

Cause - The official journal neglected to publish all information submitted by the District for publication.

Recommendation - The District should notify its official journal concerning its failure to publish minutes and attempt to reconcile this problem to comply with state law.

Views of Responsible Officials of the Auditee when there is Disagreement with the Finding, to the Extent Practical - None

Section III Federal Award Findings and Questioned Costs

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS

Schriever Fire Protection District

For the year ended December 31, 2003

Section I Internal Control and Compliance Material to the Basic Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 2002.
No reportable conditions were reported during the audit for the year ended December 31, 2002.

Compliance

02-1 Recommendation - The District should notify its official journal concerning its failure to publish minutes and attempt to reconcile this problem to comply with state law.

Management's Response - The District will attempt once again to persuade its official journal to publish minutes, ordinances, resolutions, budgets and other official proceedings of the District. Unresolved, see finding 03-1.

Section II Internal Control and Compliance Material to Federal Awards

Schriever Fire Protection District did not receive federal awards during the year ended December 31, 2002.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2002.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Schriever Fire Protection District

For the year ended December 31, 2003

Section I Internal Control and Compliance Material to the Basic Financial Statements

Internal Control

No material weaknesses were reported during the audit for the year ended December 31, 2003.
No reportable conditions were reported during the audit for the year ended December 31, 2003.

Compliance

03-1 **Recommendation** - The District should notify its official journal concerning its failure to publish minutes and attempt to reconcile this problem to comply with state law.

Management's Response - The District will contact its official journal to rectify the problem of not having the official proceedings of the District published.

Section II Internal Control and Compliance Material to Federal Awards

Schriever Fire Protection District did not receive federal awards during the year ended December 31, 2003.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2003.