

**DESOTO PARISH FIRE PROTECTION  
DISTRICT NO. 5**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
WITH ACCOUNTANT'S COMPILATION REPORT  
AND AGREED-UPON PROCEDURES REPORT**  
As of and for the year ended  
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.

Release Date 9.1.04

**Jim H. Stevens, Jr., CPA, LLC**  
Certified Public Accountant  
Springhill, Louisiana

**DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5**  
Stanley, Louisiana

**General Purpose Financial Statements**  
As of and for the Year Ended December 31, 2003

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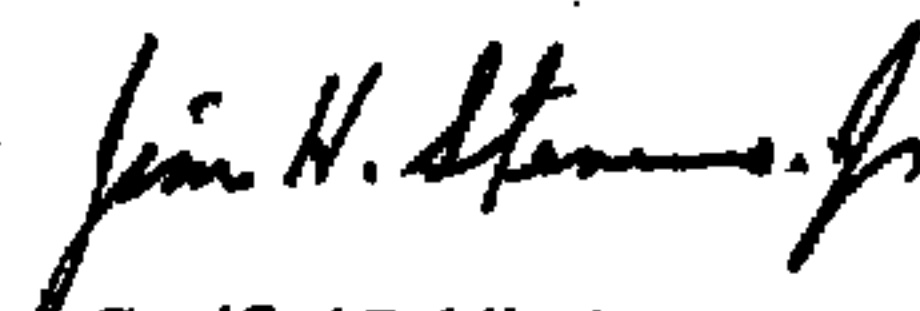
**ACCOUNTANT'S COMPILATION REPORT**

Board of Commissioners  
DeSoto Parish Fire Protection District No. 5  
Stanley, Louisiana

I have compiled the accompanying general purpose financial statements of DeSoto Parish Fire Protection District No. 5 as of and for the year ended December 31, 2003, as required by Louisiana Revised Statute 24:513. The general purpose financial statements are compiled in accordance with standards established by *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements, and accordingly do not express an opinion or any form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated June 28, 2004, on the results of our agreed-upon procedures.

  
Certified Public Accountant

June 28, 2004

**DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5**  
 Stanley, Louisiana  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
 Combined Balance Sheet  
 For the Year Ended December 31, 2003

	GOVERNMENTAL FUNDS		FIDUCIARY FUND	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	DEBT SERVICE	AGENCY FUND	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	
<b>ASSETS AND OTHER DEBITS</b>						
Cash	\$ 53,088	\$	2,294	\$	\$	55,362
Restricted Cash	100					100
Ad valorem taxes receivable	77,184	25,718			150,000	102,882
Amount to be provided for retirement of certificates of indebtedness						150,000
Fixed Assets				996,070		996,070
<b>TOTAL ASSETS</b>	<b>\$ 130,332</b>	<b>\$ 25,718</b>	<b>\$ 2,294</b>	<b>\$ 996,070</b>	<b>\$ 150,000</b>	<b>\$ 1,304,414</b>
<b>LIABILITIES, AND FUND EQUITY AND OTHER CREDITS</b>						
Liabilities:						
Certificates on indebtedness payable	\$	\$	\$	\$	150,000	\$
Total Liabilities	0	0	0	0	150,000	150,000
Fund Equity and Other Credits				996,070		996,070
Investment in general fixed assets	100					100
Fund balance reserved for truck purchase		25,718				25,718
Fund balance reserved for debt service			2,294			2,294
Fund balances-Unreserved	130,232					132,526
<b>TOTAL FUND EQUITY AND OTHER CREDITS</b>	<b>130,332</b>	<b>25,718</b>	<b>2,294</b>	<b>996,070</b>	<b>0</b>	<b>1,154,414</b>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$ 130,332</b>	<b>\$ 25,718</b>	<b>\$ 2,294</b>	<b>\$ 996,070</b>	<b>\$ 150,000</b>	<b>\$ 1,304,414</b>

**DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5**  
**Stanley, Louisiana**  
**GOVERNMENTAL FUNDS**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 2003**

	<u>GENERAL FUND</u>	<u>DEBT SERVICE FUND</u>	<u>Total (Memorandum Only)</u>
<b>REVENUES:</b>			
Ad valorem taxes	\$ 102,055	\$ 25,043	\$ 127,098
Intergovernmental revenue-state funds			
Revenue sharing	2,560		2,560
Insurance rebate	4,046		4,046
Grant	76,807		76,807
Loan proceeds	150,000		150,000
Use of money and property	509		509
Other revenues	1,050		1,050
<b>TOTAL REVENUES</b>	<u>337,027</u>	<u>25,043</u>	<u>362,070</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	12,133		12,133
General government	24,833		24,833
Capital outlay	262,001		262,001
Debt service:			
Principal payments		30,000	30,000
Interest		575	575
<b>TOTAL EXPENDITURES</b>	<u>298,967</u>	<u>30,575</u>	<u>329,542</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>38,060</u>	<u>(5,532)</u>	<u>32,528</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>92,272</u>	<u>31,250</u>	<u>123,522</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 130,332</u>	<u>\$ 25,718</u>	<u>\$ 156,050</u>

## DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

## GOVERNMENTAL FUNDS

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Budget (Modified accrual basis) and Actual  
 For the Year Ended December 31, 2003

	GENERAL FUND			DEBT SERVICE		
	BUDGET	ACTUAL	VARIANCE Positive (Negative)	BUDGET	ACTUAL	VARIANCE Positive (Negative)
<b>REVENUES</b>						
Ad valorem taxes	\$ 101,000	\$ 102,055	\$ 1,055	\$ 25,000	\$ 25,043	\$ 43
Intergovernmental revenue-State funds						
Revenue sharing	3,550	2,560	(990)			
Insurance rebate	3,600	4,046	446			
Grant	85,341	76,807	(8,534)			
Loan proceeds	150,000	150,000	0			
Use of money interest earnings	700	509	(191)			
Other revenues	500	1,050	550			
<b>TOTAL REVENUES</b>	<u>344,691</u>	<u>337,027</u>	<u>(7,664)</u>	<u>25,000</u>	<u>25,043</u>	<u>43</u>
<b>EXPENDITURES</b>						
Current:						
Public Safety	21,600	12,133	9,467			
General government	27,995	24,833	3,162			
Capital Outlays	286,578	262,001	24,577			
Debt Service:						
Principal payments				30,000	30,000	0
Interest				700	575	125
<b>TOTAL EXPENDITURES</b>	<u>336,173</u>	<u>298,967</u>	<u>37,206</u>	<u>30,700</u>	<u>30,575</u>	<u>125</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>8,518</u>	<u>38,060</u>	<u>29,542</u>	<u>(5,700)</u>	<u>(5,532)</u>	<u>168</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>92,272</u>	<u>92,272</u>	<u>0</u>	<u>31,250</u>	<u>31,250</u>	<u>0</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 100,790</u>	<u>\$ 130,332</u>	<u>\$ 29,542</u>	<u>\$ 25,550</u>	<u>\$ 25,718</u>	<u>\$ 168</u>

See accompanying notes and accountant's compilation report

# **DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5**

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 2003

## **INTRODUCTION**

DeSoto Fire Protection District No. 5 was created by the DeSoto Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492 on April 16, 1988. The district is governed by a five-member board appointed in accordance to LRS 40:1496 as follows: two members by the police jury, two members by the Village of Stanley, and one by the other four members. Board members serve without compensation. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection to approximately 1,679 residents living within the 113.5 square miles of the district. The District maintains and operates four stations within its boundaries.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **A. BASIS OF PRESENTATION**

The accompanying general purpose financial statements of the DeSoto Parish Fire Protection District No. 5 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

### **B. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the DeSoto Parish Police Jury is the financial reporting entity for DeSoto 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 statement to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 54 established criteria for determining which component units should be considered part of the DeSoto 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.

Because the police jury created the district and has the ability to impose its will on the district, the district was determined to be a component unit of the DeSoto Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.



# DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 2003

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### C. FUND ACCOUNTING

The district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds of the district are classified as governmental and fiduciary. Governmental funds account for the districts general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt.

Governmental funds of the district include:

General Fund -the operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

Debt Service Fund – accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.

Fiduciary funds are used to account for assets held on behalf of outside parties, or on behalf of other funds within the district. The fiduciary fund of the district includes:

Agency Fund—accounts for assets that the district holds on behalf of the Ladies' Auxillary as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

#### Revenues

The major sources of revenue (ad valorem taxes) is recognized when susceptible to accrual, i.e., when they become measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

#### Expenditures

Expenditures are generally recorded when the related fund liability is incurred, if measurable.



# DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 2003

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### E. BUDGET

The district is required by state law to adopt an annual budget. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

A proposed budget is prepared by the governing board in November and made available for public inspection no later than 15 days prior to December 31, of each year. In open meeting prior to December 31, the budget is adopted and becomes part of the official minutes of the District. The proposed budget for the General Fund is prepared on the modified accrual basis of accounting. Once a budget is approved, it can be amended by approval of a majority of the Board. Amendments are presented at a regular open meeting for Board approval. The debt service fund's budget is adopted as part of the general fund. The budget was amended during the year and is reflected in the budget comparison.

### F. CASH

Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

At December 31, 2003, the district has cash in demand and interest-bearing demand deposits totaling \$53,168 (book balance.) These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2003, the district has \$53,259 (bank balance) in deposits. These deposits are fully secured from risk by \$100,000 of federal deposit insurance.

### G. ALLOWANCE FOR DOUBTFUL ACCOUNTS

The District recognizes uncollectible ad valorem tax receivables at the time information becomes available which would indicate the uncollectibility of the receivable. The District feels that at this time there is no need for an allowance for doubtful accounts.

### H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost. Assets acquired from the predecessor volunteer fire department are recorded in the amount of the outstanding department debt which the district paid in order to transfer the assets. No depreciation has been provided on general fixed assets.

# DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 2003

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### I. LONG-TERM OBLIGATIONS

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

### J. FUND EQUITY

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

### K. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

### L. COMPENSATED ABSENCES

The District does not have any employees, therefore, is not required to have a formal leave policy providing for the accumulation and vesting of leave.

## 2. LEVIED TAXES

The District levies taxes on real and business personal property located within the boundaries of the District. Property taxes are levied by the District on property values assessed by the DeSoto Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

Property Tax Calendar:

Assessment date	January 1, 2003
Levy date	June 30, 2003
Tax bills mailed	October 15, 2003
Total taxes are due	December 31, 2003
Penalties & interest added	January 31, 2004
Tax sale	May 15, 2004

The District has authorized a 9.15 and a 5.00 ad valorem tax millage and levied a 9.47 and 5.00 ad valorem tax. The difference between the authorized and levied millage is the result of reassessments of taxable property as required by Louisiana Constitution Article VII, Section 18(F). This revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2000.

Total assessed value in the District was \$10,994,192 in 2003. Louisiana state law exempts the first \$7,500 of assessed value of taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$2,155,368 in 2003. Total ad valorem tax revenues recognized in 2003 by the District was \$ 127,098.

# DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 2003

## 2. LEVIED TAXES (continued)

The following are the principal taxpayers for the district:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Southwestern Electric Power	\$ 1,579,117	14.36%
BP America Production Co	1,490,560	13.56%
Northeast Texas Electric	944,328	8.59%
Central LA. Electric Co.	541,970	4.93%
Southern Natural Gas Co.	434,348	3.95%
Duke Energy Field Service	381,120	3.47%
Sustainable Forests, LLC	367,739	3.34%
Tennessee Gas Pipeline Co. Div	187,025	1.70%
Texas Eastern Transmission Corp.	175,060	1.59%
Atmos Energy Corp.	138,810	1.26%
<b>Total</b>	<b>\$ 6,240,077</b>	<b>56.75%</b>

## 3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance, 01/01/2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, 12/31/2003</u>
Fire equipment	\$ 637,998	\$ 262,001	\$	\$ 899,997
Land & buildings	96,073			96,073
<b>Total</b>	<b>\$ 734,069</b>	<b>\$ 262,001</b>	<b>\$</b>	<b>\$ 996,070</b>

## 4. CHANGES IN LONG-TERM DEBT

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

Bonded debt payable at 01/01/03	\$ 30,000
Additions	150,000
Deductions	(30,000)
Bonded debt payable at 12/31/03	<u>\$ 150,000</u>

# DESOTO PARISH FIRE PROTECTION DISTRICT NO. 5

Stanley, Louisiana

Notes to the Financial Statements

As of and for the Year Ended December 31, 2003

## 4. CHANGES IN LONG-TERM DEBT (continued)

Certificates of indebtedness are comprised of two issues:

Certificates of Indebtedness, Series 2003 R-1 issued July 21, 2003 in the amount of \$127,500 to Community Bank of Louisiana, at 4% interest, maturing March, 2005, payable in two installments.

Certificates of Indebtedness, Series 2003 R-2 issued July 21, 2003 in the amount of \$22,500 to Louisiana Public Facilities Authority, at 0% interest, maturing March, 2005, payable in two installments.

The annual requirements to amortize the certificates outstanding at December 31, 2003 including interest of \$5,717 are as follows:

Year ending 2004	\$ 77,917
Year ending 2005	<u>77,800</u>
Total	<u>\$155,717</u>

## 5. OPERATING LEASE

The District entered into an operating lease in May of 1989 for the land on which one of the stations is located. The lease term is 98 years and the amount of the lease is one dollar, which was paid at the inception of the lease.

## 6. LITIGATION AND CLAIMS

The fire district is not involved in any litigation at December 31, 2003, nor is it aware of any unasserted claims.

## 7. RISK MANAGEMENT

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions, and injuries to volunteers. To handle some risk of loss, the Fire District has workers' compensation insurance and surety bond coverage. No settled claims from these risks have exceeded insurance coverage for the past four years. There are no significant reductions in insurance coverage from coverage in the prior year.

## **Independent Accountant's Report on Applying Agreed-Upon Procedures**

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

# Jim H. Stevens, Jr., CPA, LLC

Certified Public Accountant

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## Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Commissioners  
DeSoto Parish Fire Protection District No 5  
Stanley, LA

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed upon by the management of DeSoto Parish Fire Protection District No. 5 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about DeSoto Parish Fire Protection District No. 5's compliance with certain laws and regulations during the year ended December 31, 2003, 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 the procedures is solely the responsibility of the specified users of the report. Consequently, I 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 materials and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

Four expenditures were made during the year for materials and supplies exceeding \$15,000 and none were made for public works exceeding \$100,000. I examined documentation which indicated that these expenditures were made 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.

The Board provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

The Board provided me with the required list.



**Code of Ethics for public Officials and Public Employees (continued)**

4. Determine whether any of the employees included in the listing obtained from management in procedure number 3 above were also included in the listing obtained from management in procedure number 2 above as immediate family members.

None of the employees included on the list of employees provided by management 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 me with a copy of the original and amended budgets for the general fund.

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

I traced the adoption of the original budget to the minutes of a meeting held in December 2002, which indicated that the budget had been adopted by the commissioners of DeSoto Fire Protection District No. 5 with no opposition from the board members. The budget was amended twice during the year and was noted in the minutes as properly approved.

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 5% or more.

I compared the revenues and expenditures of the final budget to actual revenue 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 correct amount and payee;

I 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;

The payments were found to be coded to the correct fund and general ledger accounts.

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

Inspection of documentation supporting each of the selected disbursements indicated approvals from board members.



### **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42: 1-12 (the open meetings law).

DeSoto Parish Fire Protection District No. 5 is required to post a notice of each meeting and the accompanying agenda on the door of the district's meeting place. Management has asserted that such documents were properly posted. There were also copies of the agendas in the files.

### **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.

There were two new certificate of indebtedness in 2003 which were well documented.

### **Advances and Bonuses**

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

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

### **Prior-Year Comments and Recommendations**

12. Review any prior-year suggestions, recommendations, and or comments to determine the extent to which such matters have been resolved. In the agreed-upon procedures engagement for the year ended December 31, 2002, the following were reported:

There were no prior-year comments or recommendations noted.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of DeSoto Fire Protection District No. 5 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
Certified Public Accountant

June 28, 2004

### **Louisiana Attestation Questionnaire**

The accompanying Louisiana Attestation Questionnaire has been completed by management and is included in this report as required.

**LOUISIANA ATTESTATION QUESTIONNAIRE**

May 5, 2004

To: Jim H. Stevens, Jr., CPA, LLC  
209 E. Church Street  
Springhill, LA 71075

From: DeSoto Parish Fire  
Protection District No. 5

In connection with your compilation of our financial statements as of December 31, 2003, and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

*These representations are based on the information available to us as of (date of completion/representations).*

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes  No

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes  No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes  No

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes  No

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes  No

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

Yes  No

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.  
Yes  No

**Meetings**

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

Yes  No

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes  No

**Advances and Bonuses**

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

Yes  No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Milton W. Baker Chairman 5/5/04 Date  
Robert A. Ellis Sec-Tres. 5-5-04 Date