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WEBSTER FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY

ANNUAL FINANCIAL STATEMENTS

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

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

General Purpose financial Statements
As of and for the Year Ended December 31, 2003
With Supplemental information Schedules

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MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

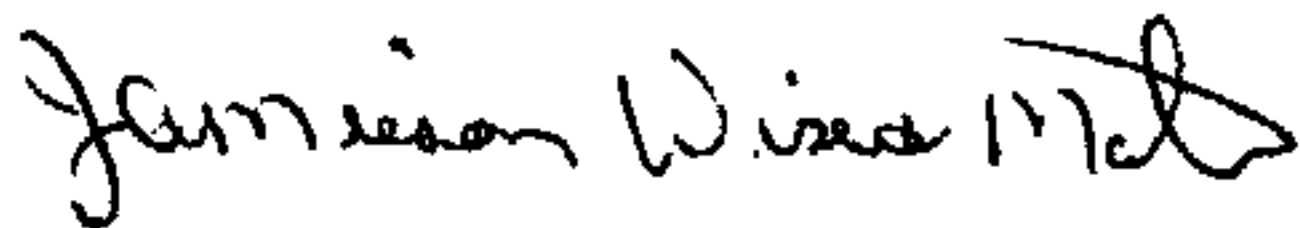
ACCOUNTANTS' COMPILATION REPORT

The Board of Commissioners
Webster Parish Fire Protection District #1
Evergreen, Louisiana

We have compiled the accompanying basic financial statements of the Webster Parish Fire Protection District #1 as of December 31, 2003 and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements information that is the representation of management of the Webster Parish Fire Protection District #1. We have not audited or reviewed the accompanying basic financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated June 23, 2004, on the results of our agreed-upon procedures.



Minden, Louisiana
June 23, 2004

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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Commissioners
Webster Parish Fire Protection District #1
Evergreen, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Webster Parish Fire Protection District #1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Webster Parish Fire Protection District'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 and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for 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).

For the year ended December 31, 2003, there were no expenditures made for materials and supplies or public works that exceeded the above mentioned amounts.

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 42:1101-1224 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

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

The Fire Protection District does not have any employees as of December 31, 2003.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The Fire Protection District does not have any employees as of December 31, 2003.

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

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

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

We traced the adoption of the original budget to the minutes of a meeting held December 2, 2002 which indicated that the budget had been unanimously adopted by the commissioners of the Webster parish Fire Protection District #1. No amendments were made to the budget during the year. The Evergreen Volunteer Fire Department, which contracts to the district to provide fire protection services, also adopted a budget on December 2, 2003. No amendments were made to the budget of the Evergreen Volunteer Fire Department during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final district budget to actual revenues and expenditures. Actual expenses failed to meet budgeted expenses by 15.57%. However, according to RS 39:1311(b) the district is not required to amend the budget since total revenues fall under the \$250,000 threshold.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for six selected disbursements of the district and also six selected disbursements from the related service provider, Evergreen Volunteer Fire Department. Inspection of supporting documentation for each of the selected

disbursements indicated the payments were for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

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

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

We examined supporting documentation for each of the above mentioned disbursements. Inspection of documentation supporting the disbursements indicated approval by the proper authority.

Meetings

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

Agendas and notices for meetings appear to have been posted and advertised as required.

Debt

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

We inspected copies of all bank deposit slips for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or like indebtedness.

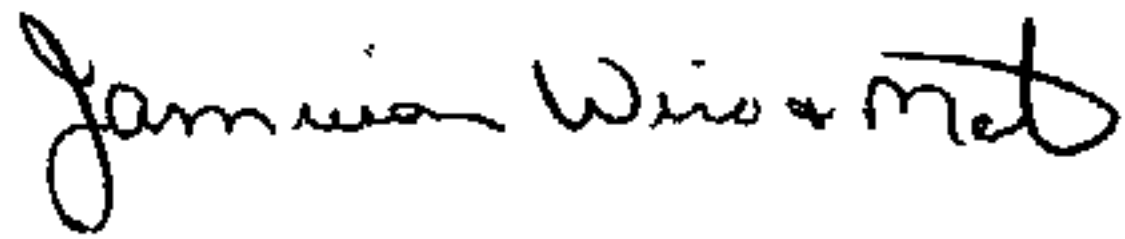
Advances and Bonuses

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

The Fire Protection District does not have any employees as of December 31, 2003. A reading of the minutes for the district indicated no approval for the payments noted.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Webster Parish Fire Protection District #1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink, appearing to read "Jamison Wisomet". The signature is written in a cursive, flowing style.

Minden, Louisiana
June 23, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY

Evergreen, Louisiana

Combined Balance Sheet - All Fund Types

December 31, 2003

With Comparative Totals for December 31, 2002

	Governmental Fund Type	Totals	
	Special Revenue	(Memorandum Only)	
		2003	2002
ASSETS			
Cash and cash equivalents	\$ 1,814	1,814	1,570
A/R - ad valorem taxes	49,369	49,369	53,212
Total Assets	\$ 51,183	51,183	54,782
 LIABILITIES AND FUND BALANCE			
Pension payable - ad valorem	\$ -	-	1,910
Deferred revenues	1,714	1,714	2,483
Total Liabilities	1,714	1,714	4,393
 Fund Equity:			
Fund Balance	49,469	49,469	50,389
Total Liabilities and Fund Balance	\$ 51,183	51,183	54,782

See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
 WEBSTER PARISH POLICE JURY
 Evergreen, Louisiana

Statement of Revenues, Expenditures and Changes
 in Fund Balance- All Governmental Fund Types
 For the Year Ended December 31, 2003

With Comparative Totals for the Year Ended December 31, 2002

	Governmental Fund Type Special Revenue	Totals (Memorandum Only)	
		2003	2002
Revenues:			
Ad valorem taxes	\$ 54,624	54,624	52,329
Intergovernmental revenues			
Webster Parish Police Jury	1,968	1,968	
Interest	5	5	92
Total revenue	56,597	56,597	52,421
Expenditures:			
Fire protection- Evergreen			
Volunteer Fire Dept.	57,426	57,426	49,584
Tax assessor fees	91	91	1,911
Total expenditures	57,517	57,517	51,495
Excess (deficiency) of revenues over expenditures	(920)	(920)	926
Fund balance, beginning	50,389	50,389	49,463
Fund balance, ending	\$ 49,469	49,469	50,389

See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
 Evergreen, Louisiana
 Governmental Fund Type - Special Revenue
 Statement of Revenues, Expenditures and Changes
 in Fund Balance - Budget (Cash Basis) and Actual
 For the Year Ended December 31, 2003
 With Comparative Actual Amounts for the Year Ended December 31, 2002

	2003			2002 Actual
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	
Revenues:				
Ad valorem taxes	\$ 49,676	55,545	5,869	48,449
Intergovernmental revenues				
Webster Parish Police Jury		1,967	1,967	-
Interest	-	5	5	92
Total Revenue	<u>49,676</u>	<u>57,517</u>	<u>7,841</u>	<u>48,541</u>
Expenditures:				
Fire Protection- Evergreen				
Volunteer Fire Dept.	49,676	57,426	(7,750)	47,848
Tax assessor fees	-	91	(91)	1,829
Total Expenditures	<u>49,676</u>	<u>57,517</u>	<u>(7,841)</u>	<u>49,677</u>
Excess (deficiency) of revenues over expenditures	-	-	-	(1,136)
Fund Balance, beginning	<u>100</u>	<u>100</u>	-	<u>1,236</u>
Fund Balance, ending	<u>\$ 100</u>	<u>100</u>	-	<u>100</u>

See accompanying notes and accountants' report.

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

INTRODUCTION

The Webster Parish Fire Protection District #1 was created by resolution of the Webster Parish Police Jury in August 1980. The Webster Parish Police Jury served as the governing authority for the District until May 1987. In May 1987, the Claiborne Parish Police Jury created the Evergreen Fire Protection District in Claiborne Parish. At that time, the Webster Parish Police Jury passed a new resolution to coincide with the Claiborne Parish resolution. A Board of Commissioners was established consisting of two commissioners appointed by each police jury and a fifth commissioner appointed by those four. The fifth commissioner also serves as chairman of the board.

The Evergreen Volunteer Fire Department was established as a not-for-profit corporation in January 1987.

In May 1987, the Webster Parish Fire Protection District #1 entered into an agreement with the Evergreen Volunteer Fire Department. The Department agreed to provide fire protection for the District in consideration of all of the ad valorem taxes collected by the District. The agreement is for an indefinite time, cancelable by either party on six months' notice.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Webster Parish Fire Protection District #1 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

The district is a component unit of the Webster Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the district because it appoints a voting majority of the board and has the ability to impose its will upon them.

The accompanying financial statements present information only on the funds maintained by the district and do not represent information on the police jury, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

C. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts. 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 funds because they do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental funds. Governmental funds account for the district's 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:

Special Revenue Fund

Accounts for transactions relating to the collection and disbursement of ad valorem taxes received by the district.

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 generally are included on the balance sheet. Operating statements for these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental fund. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
 WEBSTER PARISH POLICE JURY
 Evergreen, Louisiana

Notes to the Financial Statements
 As of and for the Year Ended December 31, 2003

Intergovernmental revenues are recorded when the district is entitled to the funds.

Interest income on demand deposits is recorded monthly when interest is earned and credited to the account.

Substantially all other revenues are recorded when received.

Expenditures

With the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred

Other Financing Sources (Uses)

Transfers between funds are not expected to be repaid, proceeds from the sale of assets, and proceeds from the sale of long-term bonds are accounted for as other financing sources and are recognized when the underlying events occur.

E. BUDGETS

The District follows these procedures in establishing the budgetary data reflected in these financial statements: (1) The Chairman of the Board prepares a budget and submits to the Board of Commissioners, (2) The budget is adopted through passage of a resolution by the Board of Commissioners, (3) All budgetary appropriations lapse at the end of each fiscal year.

The following schedule reconciles the excess (deficiency) of revenues over expenditures as shown on the budgetary basis statements with the amounts shown on the GAAP basis statements:

	Special Revenue <u>Fund</u>
Year ended December 31, 2003	
Excess (deficiency) of revenues over expenditures, GAAP basis	\$49,469
(Increase) / Decrease in receivables	49,369
Increase / (Decrease) in payables	<u>0</u>
 Excess (deficiency) of revenues over expenditures, Cash basis	 <u>\$ 100</u>

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

F. ENCUMBRANCES

Encumbrance accounting is not employed.

G. CASH

Cash includes amounts in interest-bearing demand deposits. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

H. INVESTMENTS

Investments are limited by Louisiana revised Statute 33:2955 and the district's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments, however, if the maturities are 90 days or less, they are classified as cash equivalents.

I. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized in the general fixed assets account group. The cost of normal maintenance or repairs that do not add to the value of fixed assets or materially extend their useful lives is not capitalized. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

J. COMPENSATED ABSENCES

Due to the fact that the district has no employees, the district does not maintain a formal vacation and sick leave policy.

K. LONG-TERM OBLIGATIONS

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

L. FUND EQUITY

Reserves

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

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

M. 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 these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. LEVIED TAXES

The District has a levy of 16.89 mill ad valorem tax. Taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31.

3. CASH AND CASH EQUIVALENTS

At December 31, 2003, the district has cash and cash equivalents totaling \$1,814 in interest-bearing demand deposits. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2003, the district has \$1,814 in deposits (collected bank balances). These deposits are secured from risk by \$100,000 of federal deposit insurance. The district does not have pledges securities as of December 31, 2003.

4. RECEIVABLES

The following is a summary of receivables at December 31, 2003 in the special revenue fund:

Ad valorem taxes	<u>\$49,369</u>
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WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

5. RELATED PARTY TRANSACTIONS

The Webster Parish Fire District #1 has a working relationship with the Evergreen Volunteer Fire Department. The Fire District collects the ad valorem taxes and transfers the money as needed to the Fire Department, which maintains fire protection services in the area.

6. LITIGATION AND CLAIMS

The district was not involved in any litigation as of December 31, 2003 nor was it aware of any unasserted claims.

SUPPLEMENTAL INFORMATION SCHEDULES

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2003

The following serve on the Board of Commissioners without compensation:

W. Wayne Kilpatrick	Chairman
Denise G. Miller	Secretary/Treasurer
Larry Blalock	Commissioner
Robert G. Johnston	Commissioner
Buddy D. Thomas	Commissioner

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Summary of Prior Year Findings
As of and for the Year Ended December 31, 2002

There were no findings for the year ended December 31, 2002

WEBSTER PARISH FIRE PROTECTION DISTRICT #1
WEBSTER PARISH POLICE JURY
Evergreen, Louisiana

Corrective Action Plan For Current Year Findings
For the Year Ended December 31, 2003

The following details indicate management's response to the findings noted as a result of performing agreed-upon procedures on management's representations contained in the Louisiana Attestation Questionnaire.

Section I - Agreed-Upon Procedures Attestation/Compilation

No findings were noted.

Section II - Management Letter

No management letter issued.