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**SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
FINANCIAL STATEMENTS
DECEMBER 31, 1999**

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

Release Date MAR 15 2000

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
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DECEMBER 31, 1999

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SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
TRANSMITTAL LETTER
ANNUAL FINANCIAL STATEMENTS

February 15, 2000

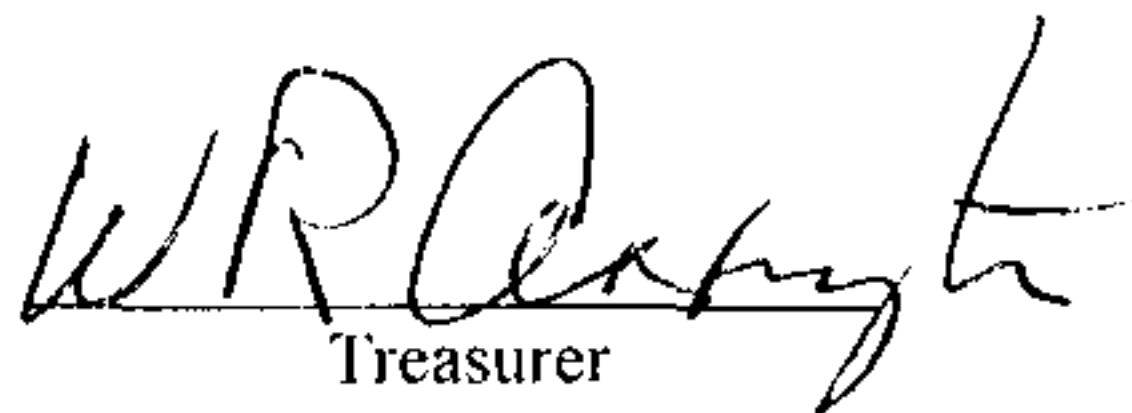
Mr. Daniel G. Kyle
Office of the Legislative Auditor
P. O. Box 94397, 1600 North Third
Baton Rouge, LA 70804-9397

Dear Mr. Kyle:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 for the year ended December 31, 1999. This report includes all funds under the control and oversight of the Fire Protection District.

The accompanying component unit financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,


Treasurer

enclosure

STATE OF LOUISIANA

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2

Report of

WALLACE R. ARRINGTON
Treasurer

TO

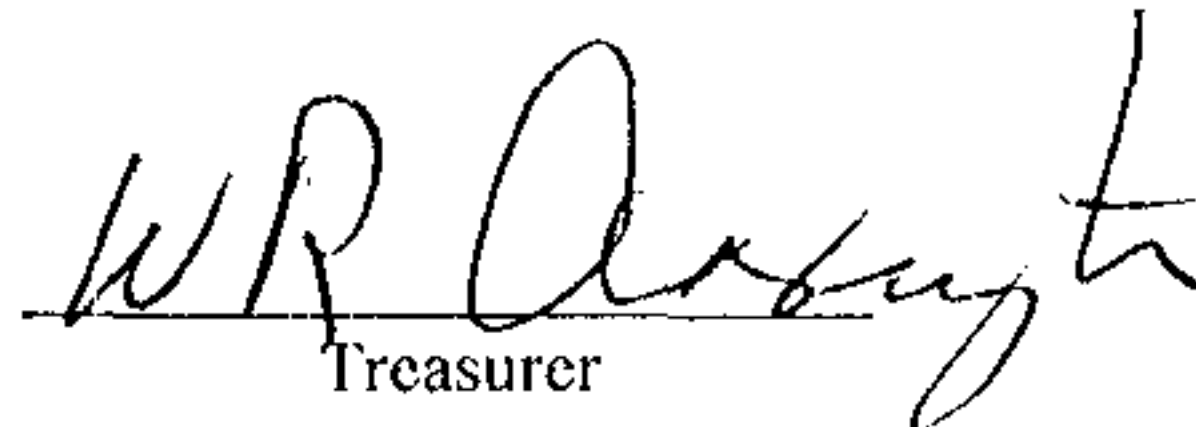
LEGISLATIVE AUDITOR

For the Year Ended December 31, 1999

In accordance with Louisiana Revised Statute 24:514

AFFIDAVIT

Personally came and appeared before the undersigned authority, Wallace R. Arrington, Treasurer of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2, who, duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2, and the results of the operations for the year ended December 31, 1999, in accordance with generally accepted accounting principles.


Treasurer

Sworn to and subscribed before me, this 15 day of February, 2000.


NOTARY PUBLIC

COMPONENT UNIT FINANCIAL STATEMENTS

HINES, JACKSON & HINES

CERTIFIED PUBLIC ACCOUNTANTS
P.O. BOX 2188 • 133 EAST FIFTH STREET
NATCHITOCHE, LA 71457

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E. MERLIN SQUYRES, CPA
JAY H. SHEFFIELD, CPA

Board of Commissioners
Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2
P. O. Box 38
Florien, LA 71429

We have compiled the accompanying component unit financial statements of the Sabine Parish Fire Protection District No. 1, Wards 1 and 2, Florien, Louisiana, a component unit of the Sabine Parish Police Jury, State of Louisiana, as of and for the year ended December 31, 1999, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Hines, Jackson & Hines
Natchitoches, Louisiana
February 15, 2000

COMBINED STATEMENTS - OVERVIEW

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1999

	<u>Governmental</u> <u>Fund Types</u>	<u>Account Group</u> <u>General</u> <u>Fixed Assets</u> <u>Account Group</u>	<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
	<u>General</u>		
ASSETS			
Cash	\$ 80,540	\$ 0	\$ 80,540
Time deposits	21,109	0	21,109
Receivables			
Ad valorem taxes	119,174	0	119,174
Prepaid insurance	7,557	0	7,557
Meter deposits	335	0	335
Land	0	5,500	5,500
Buildings	0	240,003	240,003
Equipment	0	920,435	920,435
	<u>0</u>	<u>920,435</u>	<u>920,435</u>
TOTAL ASSETS	<u>\$ 228,715</u>	<u>\$ 1,165,938</u>	<u>\$ 1,394,653</u>
LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	\$ 57,852	\$ 0	\$ 57,852
Deductions from ad valorem taxes - retirement system	<u>5,452</u>	<u>0</u>	<u>5,452</u>
TOTAL LIABILITIES	63,304	0	63,304
Fund Equity			
Investment in general fixed assets	0	1,165,938	1,165,938
Fund balance - unreserved and undesignated	<u>165,411</u>	<u>0</u>	<u>165,411</u>
TOTAL FUND EQUITY	<u>165,411</u>	<u>1,165,938</u>	<u>1,331,349</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 228,715</u>	<u>\$ 1,165,938</u>	<u>\$ 1,394,653</u>

See accompanying notes and accountants' report.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES - GENERAL FUND
YEAR ENDED DECEMBER 31, 1999

REVENUES	
Taxes - ad valorem	\$ 164,685
Intergovernmental	
State revenue sharing	15,526
Fire insurance rebate	7,924
Interest income	3,211
Other	<u>2,164</u>
 TOTAL REVENUES	 193,510
EXPENDITURES	
General government	
Bookkeeping	3,000
Capital Outlay	143,019
Continuing education classes	406
Deductions from ad valorem tax for Retirement system	5,452
Insurance and bonds	14,994
Legal and accounting	1,850
License	24
Materials and supplies	15,740
Miscellaneous	316
Per diem paid to commissioners	1,590
Rent	334
Repairs and maintenance	20,262
Station caretaking	18,975
Truck expense	5,614
Utilities and telephone	<u>7,193</u>
 TOTAL EXPENDITURES	 <u>238,769</u>
 EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES	 <u>(45,259)</u>
 FUND BALANCE, Beginning of year	 <u>210,670</u>
 FUND BALANCE, End of year	 <u>\$ 165,411</u>

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1999

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 is a body created by the Sabine Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492, for the purpose of providing fire protection within the District. The District is governed by a board of five commissioners appointed by the Police Jury and Village of Florien. The commissioners serve two year terms.

The accounting and reporting policies of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements set forth in the Louisiana Governmental Audit Guide and to Louisiana Revised Statute 24:517, and to the industry audit guide, Audits of State and Local Governmental Units.

A. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Sabine Parish Police Jury is the financial reporting entity for Sabine Parish. The financial reporting entity consists of a) the primary government (police jury), b) organizations for which the primary government is financially accountable, and c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Sabine 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 or burdens on the police jury.
2. Organizations for which the police jury does not appoint voting majority but were 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 of the nature and significance of the services provided to Sabine Parish by the Fire Protection District, the reporting entity financial statements would be misleading if data of the Fire Protection District was not included. 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.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1999

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Fund Accounting

The accounts of the Fire Protection District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions and activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds are grouped in this report into one generic fund type, one broad fund category and one account group as follows:

Governmental Funds - Funds through which most governmental functions are typically financed. The funds included in this category are as follows:

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

Account Groups - An account group is a financial reporting device designed to provide accountability for certain assets and liabilities not recorded in the funds because they do not directly affect net expendable available financial resources.

General Fixed Assets Account Group - This is not a fund but rather an account group that is used to account for general fixed assets acquired principally for general purposes and excludes fixed assets in the Enterprise Fund.

C. General Fixed Assets

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets. All fixed assets are valued at cost.

The fixed assets account group is not a "fund". It is concerned only with the measurement of financial position, not with measurement of results of operations.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1999

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are 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. Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes, assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of ensuing year. State revenue sharing is recognized as income when it is received by the District. Interest and miscellaneous income are recorded when received in cash because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that principal and interest on general long-term debt is recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

E. Cash

Consistent with GASB Statement 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting", the Fire Protection District defines cash as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

F. Accounts Receivable

All receivables are reported at their gross value and, where applicable are reduced by the estimated portion that is expected to be uncollectible.

G. Bad Debts

Uncollectible ad valorem taxes are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 1999, \$0 were considered to be uncollectible.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1999

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Prepaid Expenses

Payments to vendors for services that will benefit periods beyond December 31, 1999, are recorded as prepaid expenses.

I. Fund Equity

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations.

J. Total Columns on Combined Statements

Total columns on the combined financial 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, results of operations, or changes in financial position, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

K. Compensated Absences

The Fire Protection District does not have any paid employees. Therefore, it does not have a formal vacation and sick leave policy and does not participate in any retirement plan.

L. Budgets and Budgetary Accounting

The Fire Protection District is required by the Louisiana Local Government Budget Act (LSA-R.S. 1301-1314) to adopt an annual budget. An annual budget is adopted each year and amended as required. Formal budgetary accounting is employed as a management control.

M. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

N. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District.

NOTE 2 AD VALOREM TAXES

Ad valorem taxes, assessed on the calendar year basis, become due November 15, become delinquent on December 31, and attach as an enforceable lien on property as of January 1 of the following year. Taxes are levied and billed by the Sabine Parish Sheriff. The Sabine Parish Sheriff bills and collects property taxes for the District using the assessed values determined by the tax assessor of Sabine Parish.

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1999

NOTE 2 AD VALOREM TAXES (CONTINUED)

For the year ended December 31, 1999, taxes of 10.24 mills were levied on property with assessed valuations totaling \$16,082,520. Total taxes levied for the year were \$164,685.

NOTE 3 CASH AND TIME DEPOSITS

At December 31, 1999, the District had cash and time deposits totaling \$101,649, as follows:

Demand deposits	\$ 51,307
Savings account	29,233
Time deposit	<u>21,109</u>
Total	<u>\$ 101,649</u>

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 federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. As of December 31, 1999, the District had \$101,774 in bank deposits. These deposits were secured from risk by \$101,774 of federal deposit insurance.

NOTE 4 CHANGES IN GENERAL FIXED ASSETS

	Balance December 31, 1998	Additions	Deletions	Balance December 31, 1999
Land	\$ 5,500	\$ 0	\$ 0	\$ 5,500
Buildings	240,003	0	0	240,003
Equipment	<u>785,416</u>	<u>143,019</u>	<u>8,000</u>	<u>920,435</u>
Total	<u>\$ 1,030,919</u>	<u>\$ 143,019</u>	<u>\$ 8,000</u>	<u>\$ 1,165,938</u>

NOTE 5 DEDICATION OF PROCEEDS AND FLOW OF FUNDS

10.24 Mill Ad Valorem Taxes

Proceeds of the 10.24 mills tax is dedicated for the purpose of maintaining and operating fire protection facilities, for purchasing fire trucks and other fire fighting equipment, for paying the cost of obtaining water for fire protection purposes, and for the salaries of firemen.

NOTE 6 LEASES

The Sabine Parish Fire Protection District No. 1, Wards 1 and 2, was not obligated under any capital or operating lease commitments at December 31, 1999.

NOTE 7 LITIGATION

The Sabine Parish Fire Protection District No. 1, Wards 1 and 2 was not involved in any litigation at December 31, 1999.

SUPPLEMENTARY INFORMATION

HINES, JACKSON & HINES

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NATCHITOCHES, LA 71457

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JAY H. SHEFFIELD, CPA

Board of Commissioners
Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2
P. O. Box 38
Florien, LA 71429

Our report on the compilation of the component unit financial statements of the Sabine Parish Fire Protection District No. 1, Wards 1 and 2, Florien, Louisiana, a component unit of the Sabine Parish Police Jury, State of Louisiana, appears on page 2. A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the financial statements and, accordingly, do not express an opinion or any other form of assurance on them. The information included in the accompanying schedule is presented only for supplementary analysis purposes. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Hines, Jackson & Hines
Natchitoches, Louisiana
February 15, 2000

SCHEDULE 1

SABINE PARISH FIRE PROTECTION DISTRICT NO.1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
COMPENSATION PAID BOARD MEMBERS
DECEMBER 31, 1999

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 2979 Session of the Louisiana Legislature.

In accordance with Louisiana Revised Statute 40:1498, members, including police jurors serving ex-officio, may be paid per diem of \$30 for attending board meetings - not to exceed two meetings in one calendar month.

SCHEDULE 2

SABINE PARISH FIRE PROTECTION DISTRICT NO.1
WARDS NO. 1 AND 2
FLORIEN, LOUISIANA
SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
DECEMBER 31, 1999

Arrington, Wallace	\$	360
Corley, John H.		360
Griffin, George		300
McNeely, Clyde		210
Moore, Argus		<u>360</u>
Total	\$	<u>1,590</u>

**SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
P.O. BOX 38 - 411 NORTH NOLAN TRACE
FLORIEN, LOUISIANA 71429**

February 15, 2000

Hines, Jackson & Hines
P. O. Box 2188
Natchitoches, Louisiana 71457

Dear Gentlemen:

In connection with your compilation of our financial statements as of December 31, 1999, 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 regulations 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 December 31, 1999.

Public Bid Law

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

Yes No

Code of Ethics for Public Officials and Public Employees

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

Yes No

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

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

Yes No

Accounting and Reporting

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 47:1410.60-65.

Yes No

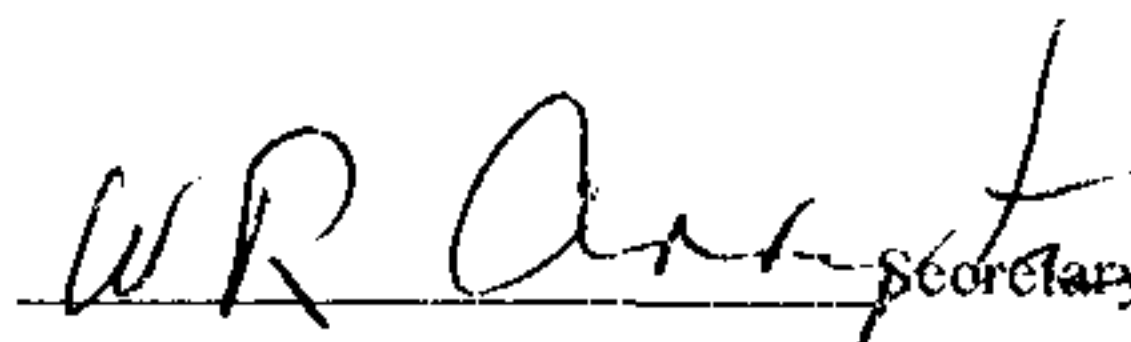
Advances and Bonuses

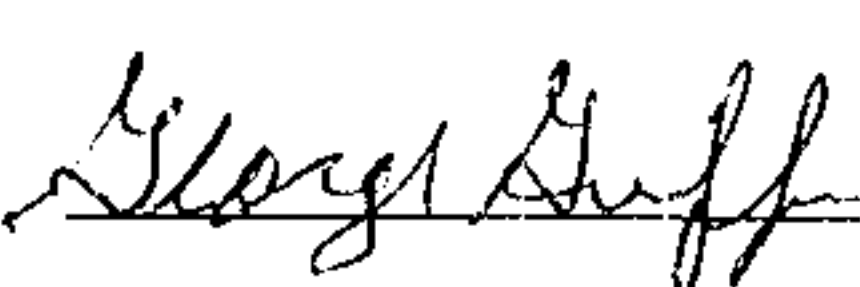
It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79:729.

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.


Secretary/Treasurer


President

HINES, JACKSON & HINES

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Independent Accountants' Report on Applying Agreed-Upon Procedures

Board of Commissioners
Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2
P.O. Box 38
Florien, Louisiana 71429

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 and the *Legislative Auditor, State of Louisiana*, solely to assist the users in evaluating management's assertions about the Sabine Parish Fire Protection District's compliance with certain laws and regulations during the year ended December 31, 1999, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$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).

Two expenditures were made during the year for materials and supplies exceeding \$15,000. No expenditures were made for public works exceeding \$100,000. We examined documentation which indicated that both expenditures had been properly advertised and accepted in accordance with the provisions of LSA-RS 38:2211-2251.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

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

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

Management provided us with the required list.

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

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

Management provided us with a copy of the original budget and all amendments. 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.

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 percent or more or if actual expenditures exceed budgeted amounts by 5 percent or more.

We compared the revenues and expenditures of the budget to actual revenues and expenditures. Actual revenues were within 5 percent of budgeted revenues. Actual expenditures were 33.76 percent more than amounts budgeted for the year.

Accounting and Reporting

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

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

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

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

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from at least one commissioner and the secretary/treasury. In addition, each of the disbursements was traced to the district's minute book where they were approved by the full commission.

Meetings

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

Notices with the date and location of upcoming meetings are required to be posted on all fire stations. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.

Debt

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

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

Advances and Bonuses

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

A reading of the minutes of the district for the year under examination indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

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

This report is intended solely for the use of management of the Sabine Parish Fire Protection District No. 1, Wards No. 1 and 2 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Hines, Jackson & Hines

Natchitoches, Louisiana

February 15, 2000

SABINE PARISH FIRE PROTECTION DISTRICT NO. 1
WARDS NO. 1 AND 2
P.O. BOX 38
FLORIEN, LOUISIANA 71429

March 3, 2000

Daniel G. Kyle
Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804


Re: Corrective Action Plan

Dear Mr. Kyle:

In the future, the Sabine Parish Fire Protection District No. 1, Wards 1 and 2 will closely monitor its budget and make amendments to it as necessary to accurately reflect expected revenues and expenditures and to satisfy legal requirements.

If you have any other questions or concerns, please let me know.

Yours truly,


Wallace Arrington
Secretary/Treasurer

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