

RECEIVED  
LEGISLATIVE AUDITOR  
06 AUG 10 AM 11:15

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA

*Financial Statements*  
*For the Year Ended December 31, 2005*

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 8-16-06

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report -----	1
Required Supplemental Information (Part A)	
Management's Discussion and Analysis -----	2-4
 <u>FINANCIAL STATEMENTS</u>  	
<u>Governmental Activities</u>	
 Government-Wide Financial Statements	
Statement of Net Assets -----	5
Statement of Activities -----	6
 Fund Financial Statements:	
Balance Sheet – Governmental Funds -----	7
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities -----	7
Statement of Revenues, Expenses and Changes in Fund Balances -----	8
Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities -----	8
 Notes to Financial Statements -----	 9-17
 Required Supplemental Information (Part B)	
Budgetary Comparison Schedules	
General Fund -----	18
Debt Service -----	19
Equipment Reserve -----	20
Fire Training Center -----	21
Notes to Budgetary Comparison Schedules -----	22
 <u>OTHER SUPPLEMENTAL INFORMATION</u>  	
Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> -----	23
Schedule of Expenditures of Federal Awards -----	24
Schedule of Findings and Questioned Costs -----	25
Summary Schedule of Prior Year Findings -----	26

## WILLIAM R. HULSEY

A PROFESSIONAL ACCOUNTING CORPORATION  
2117 FORSYTHE AVENUE  
MONROE, LOUISIANA

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

MAILING ADDRESS  
P.O. BOX 2253  
MONROE, LOUISIANA 71207  
(318) 362-9900  
FAX (318) 362-9921

### INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

I have audited the accompanying financial statements of the governmental activities and the fund information of the Lincoln Parish Fire Protection District No. 1 (the District), as of and for the year ended December 31, 2005, which collectively comprise the basic financial statements of the Lincoln Parish Fire Protection District No. 1 as listed in the table of contents. These financial statements are the responsibility of the Lincoln Parish Fire Protection District No. 1's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

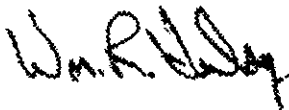
In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and fund information for the Lincoln Parish Fire Protection District No. 1 as of December 31, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated May 19, 2006, on my consideration of the Lincoln Parish Fire Protection District No. 1's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Management's discussion and analysis and budgetary comparison information on pages 2 through 4 and 18 through 22, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming an opinion on the financial statements of the Lincoln Parish Fire Protection District No. 1 taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

WILLIAM R. HULSEY  
Certified Public Accountant



May 19, 2006

**REQUIRED SUPPLEMENTAL INFORMATION (PART A)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**LINCOLN PARISH FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

Our discussion and analysis of the Lincoln Parish Fire Protection District provides an overview of the District's activities for the year ended December 31, 2005 as compared to 2004. Please read it in conjunction with the District's financial statements.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Fire District as a whole.

**REPORTING THE DISTRICT AS A WHOLE:  
THE STATEMENT OF NET ASSETS AND STATEMENT OF ACTIVITIES**

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector entities. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report to the District's net assets and changes in them. The District's net assets (the differences between assets and liabilities) measure the District's financial position. The increases or decreases in the District's net assets are an indicator or whether its financial position is improving or not.

**THE FIRE DISTRICT AS A WHOLE**

For the year ended December 31, 2005 and 2004, net assets changed as follows:

	<b>2005</b>	<b>2004</b>
Beginning Net Assets	\$3,192,859	\$ 2,853,604
Restatement of Beginning Net Assets		(120,824)
Increase in Net Assets	320,499	460,077
Ending Net Assets	\$3,513,358	\$ 3,192,857

## THE FIRE DISTRICT'S FUNDS

The following schedule presents a summary of revenues and expenditures for the years ended December 31, 2005 and 2004:

Revenues	2005 Amount	Percent of Total	2004 Amount	Percent of Total
Ad Valorem taxes	\$340,088	32.31%	\$288,306	28.32%
Fees and other tax revenue	519,410	49.36%	512,000	50.27%
Grants	69,270	6.59%	111,276	10.93%
Other revenues	123,492	11.74%	106,704	10.48%
<b>Total Revenues</b>	<b>\$ 1,052,260</b>	<b>100.00%</b>	<b>\$1,018,286</b>	<b>100.00%</b>

Expenditures	2005 Amount	Percent of Total	2004 Amount	Percent of Total
Public Safety	\$ 545,475	74.54%	\$500,235	89.61%
Debt service- interest	22,947	3.14%	37,193	6.67%
Capital Outlay	163,339	22.32%	20,777	3.72%
<b>Total Expenditures</b>	<b>\$731,761</b>	<b>100.00%</b>	<b>\$ 558,205</b>	<b>100.00%</b>

## BUDGETARY HIGHLIGHTS

The Fire District's total revenues in 2005 were \$6,058 below the final budgeted amount, while expenditures were \$12,832 less than was budgeted.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At December 31, 2005, the Fire District had \$4,436,462 invested in capital assets including buildings, vehicles, and machinery and equipment as shown below:

	December 31, 2005	Additions	Disposals	December 31, 2004
Vehicles	\$ 1,531,506			\$ 1,531,506
Building	150,581			150,581
Machinery & Equipment	2,754,375	462,470	(2,256)	2,294,161
Totals at Historical Cost	\$ 4,436,462	462,470	(2,256)	\$ 3,976,248
Less: Accumulated Depreciation	(3,577,995)	(124,041)	2,256	(3,456,210)
<b>Totals, net</b>	<b>\$ 858,467</b>	<b>\$ 338,429</b>	<b>\$ -</b>	<b>\$ 520,038</b>

Significant additions during 2005 included \$462,470 in machinery and equipment for two customized 1,500 gallon pumpers.

### **Debt**

At year end, the Fire District had a total of \$360,000 outstanding in general obligation refunding bonds, Series 2001. These bonds bear an interest rate of 4.35% and will mature in April 2006. Additionally, the District had a total liability for compensated absences of \$2,207 at year end.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Fire District does not anticipate any major increases or decreases in revenue sources for the coming year and, as such, no major change in expenditure levels is expected.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about the report or need additional information, contact the following:

Contact Person: Dennis Ford  
Title: Director



**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2005

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash	\$ 576,890
Investments	1,608,948
Accounts receivable	868,586
Due from LPPJ	24,840
Depreciable Assets	<u>858,467</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,937,731</u></b>
<b>LIABILITIES</b>	
Accounts payable	\$ 62,166
Non-Current Liabilities	
Due Within One Year	
Bonds Payable	360,000
Compensated Absences	<u>2,207</u>
<b>TOTAL LIABILITIES</b>	<b>424,373</b>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	858,467
Unrestricted	<u>2,654,891</u>
Total Net Assets	<u>3,513,358</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 3,937,731</u></b>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005

Function/Program Activities	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Government Activities:				
Public Safety	<u>\$ 731,761</u>	<u>\$ 519,410</u>	<u>\$ 69,270</u>	<u>\$ -</u>
				<u>\$ (143,081)</u>

General Revenues:

Sales Taxes	340,088
Fire Insurance Rebate	42,838
Interest Earned	<u>80,654</u>
Total General Revenues	<u>463,580</u>

Changes in Net Assets 320,499

Net Assets - Beginning 3,192,859

Net Assets - Ending \$ 3,513,358

The accompanying notes are an integral part of this financial statement.

**FUND FINANCIAL STATEMENTS**

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2005

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Equipment Reserve Fund</u>
<b>Assets:</b>			
Cash	\$ 124,746	\$ 39,940	\$ 131,841
Investments	25,363	-	1,583,585
Accounts receivable (net of allowance)	430,287	406,754	1,000
Due from LPPJ	22,894	-	-
Due from other funds	-	-	98,675
	-	-	98,675
<b>TOTAL ASSETS</b>	<b>\$ 603,290</b>	<b>\$ 446,694</b>	<b>\$ 1,815,101</b>
 <b>Liabilities and fund equity:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 3,681	\$ -	\$ -
Due to other funds	98,675	-	-
	102,356	-	-
<b>Total liabilities</b>	<b>102,356</b>	<b>-</b>	<b>-</b>
 <b>Fund Balances:</b>			
<b>Reserved for:</b>			
Debt Service	-	446,694	-
<b>Unreserved, Reported in:</b>			
General Fund	500,934	-	1,815,101
Capital Project Fund	-	-	-
	500,934	-	-
<b>Total Fund Balances</b>	<b>500,934</b>	<b>446,694</b>	<b>1,815,101</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 603,290</b>	<b>\$ 446,694</b>	<b>\$ 1,815,101</b>

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
RECONCILIATION OF TOTAL GOVERNMENTAL  
FUND BALANCES TO NET ASSETS OF  
GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2005

<u>Fire Training Center</u>	<u>Total Governmental Funds</u>		
		Total Governmental Fund Balances	\$ 3,017,098
		<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
\$ 280,363	\$ 576,890		
-	1,608,948		
30,545	868,586		
1,946	24,840		
-	98,675		
<u>\$ 312,854</u>	<u>\$ 3,177,939</u>	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	858,467
		Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(2,207)
\$ 58,485	\$ 62,166		
-	98,675		
<u>58,485</u>	<u>160,841</u>	Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	<u>(360,000)</u>
		Net Assets of Governmental Activities	<u>\$ 3,513,358</u>
-	446,694		
-	2,316,035		
<u>254,369</u>	<u>254,369</u>		
<u>254,369</u>	<u>3,017,098</u>		
<u>\$ 312,854</u>	<u>\$ 3,177,939</u>		

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Equipment Reserve Fund</u>
Revenues:			
Taxes	\$ -	\$ 340,088	\$ -
Fees and other non tax revenue	519,410	-	-
Grants	5,664	-	-
Other revenues	65,907	672	53,636
Total revenues	<u>590,981</u>	<u>340,760</u>	<u>53,636</u>
Expenditures:			
Current:			
Public Safety			
Salaries and Benefits	347,830	-	-
Insurance and Surety Bonds	33,886	-	-
GIS Mapping	18,333	-	-
Professional Services	11,020	-	-
Uniforms	6,549	-	-
Utilities	20,656	-	-
Vehicle Expenditures	31,691	-	-
Maintenance	21,037	-	-
Education and Training	1,138	-	-
Telephone	3,663	-	-
Office Supplies	2,500	-	-
Dues and Subscription	1,551	-	-
Equipment Rental	683	-	-
Travel	1,253	-	-
Miscellaneous	733	350	-
Leases and Taxes	1,159	-	-
Materials and Supplies	25,978	-	-
Debt Service - Principal	-	335,000	-
Debt Service - Interest and Fees	-	22,946	-
Capital Outlay	23,490	-	370,000
Total Expenditures	<u>553,150</u>	<u>358,296</u>	<u>370,000</u>
Excess (deficiency) of revenues over expenditures	<u>37,831</u>	<u>(17,536)</u>	<u>(316,364)</u>
Other financing sources (uses):			
Operating transfers in	-	-	22,934
Operating transfers out	(37,934)	-	-
Total other financing sources(uses)	<u>(37,934)</u>	<u>-</u>	<u>22,934</u>
Net Change in Fund Balance	(103)	(17,536)	(293,430)
Fund balances, beginning	<u>501,038</u>	<u>464,229</u>	<u>2,108,532</u>
Fund balances, ending	<u>\$ 500,935</u>	<u>\$ 446,693</u>	<u>\$ 1,815,102</u>

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
RECONCILIATION OF TOTAL GOVERNMENTAL  
FUND BALANCES TO NET ASSETS OF  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005

Fire Training Center	Total Governmental Funds		
		Net Change in Fund Balances - Total	
\$ -	\$ 340,088	Governmental Funds	\$ (351,890)
-	519,410		
63,606	69,270	<i>Amounts reported for governmental</i>	
3,276	123,491	<i>activities in the statement of activities</i>	
<u>66,882</u>	<u>1,052,259</u>	<i>are different because:</i>	
		Government funds report capital outlays	
		as expenditures while governmental	
		activities report depreciation expense to	
		allocate those expenditures over the life	
		of the assets:	
-	347,830	Capital asset purchases capitalized	462,470
-	33,886	Depreciation expense	<u>(124,041)</u>
-	18,333		338,429
9,602	20,622	Repayment of debt principle is an expenditure	
-	6,549	in the governmental funds, but the repayment	
1,438	22,094	reduces long-term debt liabilities in the statement	
-	31,691	of net assets.	335,000
1,735	22,772		
-	1,138	The increase in compensated absences	
-	3,663	liability does not require the use of current	
-	2,500	financial resources but is recorded as an	
-	1,551	expense in the statement of activities.	<u>(1,040)</u>
-	683		
-	1,253	Change in Net Assets in Governmental	
2,690	3,773	Activities	<u>\$ 320,499</u>
-	1,159		
-	25,978		
-	335,000		
-	22,946		
<u>107,238</u>	<u>500,728</u>		
<u>122,703</u>	<u>1,404,149</u>		
<u>(55,821)</u>	<u>(351,890)</u>		
15,000	37,934		
-	<u>(37,934)</u>		
15,000	-		
<u>(40,821)</u>	<u>(351,890)</u>		
<u>295,189</u>	<u>3,368,988</u>		
<u>\$ 254,368</u>	<u>\$ 3,017,098</u>		

The accompanying notes are an integral part of this financial statement.



LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lincoln Parish Fire Protection District No. 1 (the District) of Ruston, Louisiana was created by resolution and adopted by the Police Jury on April 23, 1991. The governing body of the District consists of a seven member Board of Commissioners. Four of these commissioners are appointed by the municipalities of Downsville, Dubach, Simsboro, and the Town of Vienna. Three additional members are appointed by the Policy Jury.

The District complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

Basis of Presentation

In June, 1999, the GASB unanimously approved statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the presentation of its funds financial information include, for the first time a Management Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations and financial statements prepared using full accrual accounting for all fund activities. *These and other changes are reflected in the accompanying financial statements including the notes to the financial statements.*

Measurement Focus, Basis of Accounting and Financial Statement Presentation

*Government-Wide Financial Statements* – The governmental-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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

*Governmental Fund Financial Statements* – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year end

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Principal revenue sources considered susceptible to accrual include ad valorem taxes, structure fees, and interest on investments. Some revenue items that are considered measurable and available to finance operations during the year from an accounting perspective are not available for expenditure due to the District's present appropriation system.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

These revenues have been accrued in accordance with accounting principles generally accepted in the United States of America since they have been earned and are expected to be collected within sixty days of the end of the period. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

- Employees' vested annual leave is recorded as an expenditure when utilized. The amount of accumulated annual leave unpaid at December 31, 2005 has been reported only in the government-wide financial statements.
- Interest on general long-term obligations is recognized when paid.
- Debt service expenditures are recorded only when payment is due.

Fund Accounting

The financial activities of the District are recorded in individual funds, each of which is deemed to be a separate accounting entity. The District uses fund accounting to report on its financial position and results of operations. 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.

**Governmental Funds**

*General Fund* – This fund is established to account for resources devoted to financing the general services that the District performs. Fees and other revenues used to finance the fundamental operation of the District are included in this fund. The fund is charged with all costs of operating the District for which a separate fund has not been established.

*Debt Service* – This fund is established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt other than those payable from Enterprise Funds and Special Assessment Funds.

*Equipment Reserve Fund* – This fund is established to reserve funds for the replacement of equipment when necessary.

*Fire Training Center Fund* - This fund is established for the purpose of constructing and maintaining a building for training of firefighters.

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 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.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting Procedures

The budgets for the funds are proposed by the Director and formally adopted by the Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles. Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated, require approval of the Commissioners. At year end, all appropriations lapse.

Cash and Cash Equivalents

Cash includes demand deposits and money market accounts. Under state law, the Lincoln Parish Fire Protection District No. 1 may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union or the laws of the United States. Further, the Lincoln Parish Fire Protection District No. 1 may invest in the time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

The District's policy is to include short-term interest bearing deposits having a maturity of three months or less as cash equivalents in the financial statements.

Valuation of Carrying Amounts and Deposits

Cash is reported at net book value – the year-end bank balance plus any deposits in transit and less any outstanding checks that have not cleared the bank as of that date.

Fund Equity

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, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. There were no restricted net assets at December 31, 2005.
- 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.”

Receivables

All receivable are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. In the process of aggregating data for the statements of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified.

Quasi-external transactions are accounted for as revenue and expenditures. Transactions that constitute reimbursements to a fund are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund that is reimbursed. All other interfund transactions that are not to be repaid are recorded as transfers.

Fixed Assets

Fixed assets of the District are stated at cost and are reported in the government-wide financial statements. Depreciation of all exhaustible fixed assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of 5 years.

Compensated Absences

Employees accrue from 5 to 15 days of annual and sick leave each year depending on years of service with the District. Annual leave must be used in the year it is earned. Sick leave up to a maximum of 15 days may be carried forward to the next year for major illnesses only. Upon separation, all unused sick leave lapses.

The accrued vacation and sick time will be liquidated primarily by the General Fund. Payment of compensated absences is dependent upon many factors; therefore, the timing of future payments is not readily determinable.

NOTE 2 - CASH

At year end, the carrying amount (book amount) of the Center's deposits was \$576,890, the bank balance was \$601,713. The bank balance is categorized as follows:

Amount Insured by FDIC and FSLIC	\$ 200,000
Amount collateralized with securities held by the pledging financial institution's agent in the Fire District's name	<u>1,280,588</u>
Total Bank Balance	<u>\$ 1,480,588</u>

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 3 – PROPERTY AND EQUIPMENT

Capital asset activity for the year ended December 31, 2005 is as follows:

	December 31, 2004			December 31, 2005
	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u>
<b>Depreciable Assets:</b>				
Vehicles	\$ 1,531,506	\$ -	\$ -	\$ 1,531,506
Building	150,581	-	-	150,581
Machinery & Equipment	<u>2,294,161</u>	<u>462,470</u>	<u>(2,256)</u>	<u>2,754,375</u>
Totals at Historical Cost	3,976,248	462,470	(2,256)	4,436,462
<b>Less Accumulated Depreciation for:</b>				
Vehicles	( 1,489,890)	( 11,645)	-	( 1,501,535)
Building	( 1,882)	( 3,765)	-	( 5,647)
Machinery & Equipment	<u>( 1,964,438)</u>	<u>( 108,631)</u>	<u>2,256</u>	<u>( 2,070,813)</u>
Total Accumulated Depreciation	<u>( 3,456,210)</u>	<u>( 124,041)</u>	<u>2,256</u>	<u>( 3,577,995)</u>
<b>CAPITAL ASSETS, NET</b>	<u>\$ 520,038</u>	<u>\$ 338,429</u>	<u>\$ -</u>	<u>\$ 858,467</u>

Depreciation was charged to the Public Safety function of the District for \$124,041.

NOTE 4 – INVESTMENTS

Investing is performed in accordance with investments policies complying with state statutes and the District's charter. The investments of the District are categorized to give an indication of the level of risk assumed by the District at December 31, 2005. The categories are described as follows:

Category 1 - Insured or registered, with securities held by the entity or its agents in the entity's name.

Category 2 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity's name.

Category 3 - Uninsured and unregistered, with securities held by the counterparty, in its trust department in the entity's name.

All investments held by the District are U.S. Government Securities, which are Category 1 investments. At December 31, 2005, the District has investments with carrying amount and fair value of \$1,608,948.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 5 - ACCOUNTS RECEIVABLE

Property taxes, structure fees, and other receivables are shown net of an allowance for doubtful accounts.

	<u>Total</u> <u>Receivable</u>	<u>Allowance</u> <u>for Doubtful</u> <u>Accounts</u>	<u>Net</u> <u>Receivable</u>
Ad Valorem Taxes	\$ 428,162	\$ 21,408	\$ 406,754
Structure Fees	452,934	22,647	430,287
Other Receivables	<u>31,545</u>	<u>-</u>	<u>31,545</u>
Total	<u>\$ 912,641</u>	<u>\$ 44,055</u>	<u>\$ 868,586</u>

NOTE 6 - PENSION PLAN

Plan Description

The Firefighters' Retirement System is a defined benefit pension plan covering firefighters employed by any municipality, parish, or fire protection district of the State of Louisiana under the provisions of Louisiana Revised Statutes 11:2251 through 2269.

Under the Firefighters' Retirement System, a member is eligible for normal retirement if he has:

- 20 or more years of service and has attained age 50 or
- 12 years of service and has attained age 55 or
- 25 years of service at any age

Those employees meeting one of these requirements are entitled to annual pension benefits equal to 3 1/3% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Benefits vest upon rendering 12 years of service to the District. Employees may elect to receive their pension benefits in the form of joint and survivor annuity. The District's total payroll for the year ended December 31, 2005 was \$196,749, of which all was covered payroll for employees in the Firefighters' Retirement System. The District has six employees covered under this retirement system.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809-1752, or by calling (225) 925-4060.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 7 – LEASE OBLIGATIONS

The Lincoln Parish Fire Protection District No. 1 has entered into twenty leases for real property on which to locate fire stations. The leases have various commencing dates beginning in April 1993, and running through April 1994. All leases run for twenty-five years following the commencing date with an option for the district to renew the lease for an additional twenty-five years thereafter. All leases are for \$1 per year. Leases shall expire on their own terms if a fire station, fire protection facility or similar structure is not constructed on the leased premises within twenty-four months from the date the agreement is executed by the lessor. Additionally, leases shall expire if the fire station, fire protection facility or other similar structure is not equipped with appropriate fire protection equipment or ceases to be used as a fire protection facility for the period of twenty-four consecutive months.

Because the leases are operating leases, no provision for the underlying property has been made in general fixed assets nor have the leases been reflected as general long-term debt. The following is a schedule of future minimum lease payments:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2005	\$ 20
2006	20
2007	20
2008	20
2009	20
Later Years	<u>240</u>
Total minimum payments required	<u>\$ 340</u>

NOTE 8 – BONDS PAYABLE

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reduction</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Government Activities:					
Bonds Payable:					
General Obligation					
Refunding Bonds,					
Series 2001	\$ 695,000	\$ -	\$ 335,000	\$ 360,000	\$ 360,000
Accrued Vacation					
and Sick Time	<u>1,167</u>	<u>1,040</u>	<u>-</u>	<u>2,207</u>	<u>2,207</u>
Total Governmental Activities					
Long-Term Debt	<u>\$ 696,167</u>	<u>\$ 1,040</u>	<u>\$ 335,000</u>	<u>\$ 362,207</u>	<u>\$ 362,207</u>

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 8 – BONDS PAYABLE (Continued)

Payments on the bonds payable that pertain to the District's governmental activities are made by the debt service fund.

Principle and interest requirements to retire the District's bonds payable obligation is as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Certificates of Indebtedness</u> <u>Series 2001</u>	
	<u>Principal</u>	<u>Interest</u>
2006	360,000	7,830

NOTE 9 - DEFERRED COMPENSATION PLAN

Employees of the Lincoln Parish Fire Protection District No. 1 may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Lincoln Parish Fire Protection District No. 1. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. In accordance with the provisions of GASB Statement No. 32 and No.34, plan balances and activities are not reflected in the financial statements of the Lincoln Parish Fire Protection District No. 1.

NOTE 10 - LITIGATION AND CLAIMS

According to the Parish District Attorney, the Lincoln Parish Fire Protection District No. 1 had no pending or threatened litigation as of December 31, 2005.

NOTE 11 –COMPENSATION FOR THE BOARD OF COMMISSIONERS

The members of the Board for the Fire Protection District No. 1 receive no compensation.



**REQUIRED SUPPLEMENTAL INFORMATION (PART B)  
BUDGETARY COMPARISON SCHEUDLES**

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Intergovernmental:				
Local grant	\$ 4,000	\$ 5,164	\$ 5,164	\$ -
Charges for services	512,000	518,650	519,410	760
Other Revenues	72,348	71,838	65,907	(5,931)
Grant Receipts	-	500	500	-
Total Revenues	<u>588,348</u>	<u>596,152</u>	<u>590,981</u>	<u>(5,171)</u>
<u>Expenditures (Outflows):</u>				
Public Safety				
Salaries and Benefits	330,125	349,903	347,830	2,073
Insurance and Surety Bonds	32,500	33,886	33,886	-
GIS Mapping	20,000	20,000	18,333	1,667
Professional Services	13,000	11,020	11,020	-
Uniforms	10,000	6,655	6,549	106
Utilities	22,000	20,000	20,656	(656)
Vehicle Expenditures	18,000	32,350	31,691	659
Maintenance	30,000	15,180	21,037	(5,857)
Education and Training	5,000	1,138	1,138	-
Telephone	4,000	3,665	3,663	2
Office Supplies	3,000	2,500	2,500	-
Dues and Subscription	3,400	1,553	1,551	2
Equipment Rental	800	670	683	(13)
Travel	1,500	1,260	1,253	7
Miscellaneous	1,000	605	733	(128)
Leases and Taxes	850	1,160	1,159	1
Materials and Supplies	15,000	26,000	25,978	22
Capital Outlay	30,000	23,500	23,490	10
Total Expenditures	<u>540,175</u>	<u>551,045</u>	<u>553,150</u>	<u>(2,105)</u>
<u>Excess Revenues Over Expenditures</u>	48,173	45,107	37,831	(7,276)
<u>Other Financing Uses</u>				
Transfers Out	(48,173)	(45,107)	(37,934)	7,173
<u>Fund Balance at Beginning of Year</u>	501,038	501,038	501,038	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 501,038</u>	<u>\$ 501,038</u>	<u>\$ 500,935</u>	<u>\$ (103)</u>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
Special sales and use tax	\$ 351,000	\$ 345,137	\$ 340,088	\$ (5,049)
Other Revenues	1,500	808	672	(136)
Total Revenues	352,500	345,945	340,760	(5,185)
<u>Expenditures (Outflows):</u>				
Principal	335,000	335,000	335,000	-
Interest	22,946	22,946	22,946	-
Miscellaneous	350	350	350	-
Total Expenditures	358,296	358,296	358,296	-
<u>Deficiency of Revenues Over</u>				
<u>Expenditures</u>	(5,796)	(12,351)	(17,536)	(5,185)
<u>Fund Balance at Beginning of Year</u>	464,229	464,229	464,229	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 458,433</u>	<u>\$ 451,878</u>	<u>\$ 446,693</u>	<u>\$ (5,185)</u>

The accompanying notes are an integral part of this financial statement.

**LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1**  
**RUSTON, LOUISIANA**  
**BUDGETARY COMPARISON SCHEDULE - EQUIPMENT RESERVE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues (Inflows):</u></b>				
Other Revenues	\$ 23,000	\$ 44,578	\$ 53,636	\$ 9,058
Total Revenues	23,000	44,578	53,636	9,058
<b><u>Expenditures (Outflows):</u></b>				
Capital Outlay	370,000	370,000	370,000	-
Total Expenditures	370,000	370,000	370,000	-
<b><u>Deficiency of Revenues Over Expenditures</u></b>				
	(347,000)	(325,422)	(316,364)	9,058
<b><u>Other Financing Sources</u></b>				
Transfers In	33,173	30,107	22,934	(7,173)
<b><u>Fund Balance at Beginning of Year</u></b>				
	2,108,532	2,108,532	2,108,532	-
<b><u>FUND BALANCE AT END OF YEAR</u></b>				
	<b>\$ 1,794,705</b>	<b>\$ 1,813,217</b>	<b>\$ 1,815,102</b>	<b>\$ 1,885</b>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
BUDGETARY COMPARISON SCHEDULE - FIRE TRAINING CENTER  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues (Inflows):</u>				
State Grant	\$ 103,339	\$ 68,952	\$ 63,606	\$ (5,346)
Other Revenues	2,500	2,600	3,276	676
<b>Total Revenues</b>	<b>105,839</b>	<b>71,552</b>	<b>66,882</b>	<b>(4,670)</b>
<u>Expenditures (Outflows):</u>				
Professional Services	17,497	11,910	9,602	2,308
Maintenance	5,000	1,740	1,735	5
Utilities	1,200	1,425	1,438	(13)
Office Supplies	200	-	-	-
Construction Cost	174,661	119,875	107,238	12,637
Acquisition of Training Props	5,000	2,690	2,690	-
<b>Total Expenditures</b>	<b>203,558</b>	<b>137,640</b>	<b>122,703</b>	<b>14,937</b>
<u>Deficiency of Revenues Over Expenditures</u>	<u>(97,719)</u>	<u>(66,088)</u>	<u>(55,821)</u>	<u>10,267</u>
<u>Other Financing Sources</u>				
Transfers In	15,000	15,000	15,000	-
<u>Fund Balance at Beginning of Year</u>	<u>295,189</u>	<u>295,189</u>	<u>295,189</u>	<u>-</u>
<b><u>FUND BALANCE AT END OF YEAR</u></b>	<b><u>\$ 212,470</u></b>	<b><u>\$ 244,101</u></b>	<b><u>\$ 254,368</u></b>	<b><u>\$ 10,267</u></b>

The accompanying notes are an integral part of this financial statement.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2005

The budgets for the funds are proposed by the Director and formally adopted by the Commissioners. The budget is prepared on a basis consistent with generally accepted accounting principles. Budgetary amendments involving the transfer of funds from one function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated, require approval of the Commissioners. At year end, all appropriations lapse.

State law requires the District to amend its budgets when revenues plus projected revenues within a fund are expected to fall short from budgeted revenues by five percent or more and when expenditures and other uses of a fund are expected to exceed budgeted amounts by five percent or more.

**OTHER SUPPLEMENTAL INFORMATION –  
GRANT INFORMATION**

**WILLIAM R. HULSEY**

A PROFESSIONAL ACCOUNTING CORPORATION  
2117 FORSYTHE AVENUE  
MONROE, LOUISIANA

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

MAILING ADDRESS  
P.O. BOX 2253  
MONROE, LOUISIANA 71207  
(318) 362-9900  
FAX (318) 362-9921

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

Board of Commissioners  
Lincoln Parish Fire Protection District No. 1  
Ruston, Louisiana

I have audited the financial statements of the Lincoln Parish Fire Protection District No. 1, as of and for the year ended December 31, 2005 and have issued my report thereon dated May 19, 2006. I conducted my 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.

**Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the Lincoln Parish Fire Protection District No. 1's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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 caused by errors or fraud 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Lincoln Parish Fire Protection District No. 1's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the committee, the Legislative Auditor, the Lincoln Parish Police Jury and federal awarding agencies 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.

WILLIAM R. HULSEY  
Certified Public Accountant

May 19, 2006



LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
WITH ACCOMPANYING NOTES TO SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Program Name</u>	<u>Federal CFDA Number</u>	<u>Award Number</u>	<u>Expenditures</u>
The Office of Domestic Preparedness				
Services:				
Passed through State:				
Office of Homeland Security and Emergency Preparedness	ODP Grant	97.067	2004GET40004	<u>\$ 74,100</u>
Total Federal and Expenditures				<u><u>\$ 74,100</u></u>

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the District. The District is defined in Note 1 to the District's financial statements. All federal award programs received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the District's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts in, or used in the presentation of, the basic financial statements.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2005

**SECTION I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	Unqualified
Internal control over financial reporting:	
Material weakness (es) identified?	No
Reportable condition (s) identified that are not considered to be material weakness (es)	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
Material weakness (es) identified?	No
Reportable condition (s) identified that are not considered to be material weakness (es)?	NA
Type of auditor’s report issued on compliance for major programs:	NA
Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A-133?	NA
Dollar threshold used to distinguish between type A and type B programs?	NA
Auditee qualified as low-risk auditee?	No

**SECTION II – Financial Statement Findings**

No matters were reported.

**SECTION III – Federal Award Findings and Questioned Costs**

No matters were reported.

LINCOLN PARISH FIRE PROTECTION DISTRICT NO. 1  
RUSTON, LOUISIANA  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2005

There were no prior year findings in our report issued May 20, 2005.