

WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

FINANCIAL REPORT
(Compiled)

AND

REPORT ON APPLYING AGREED-UPON PROCEDURES

DECEMBER 31, 2001

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HILL, INZINA & COMPANY

ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Ward 1 Fire Protection District No. 1 of
West Carroll Parish, Louisiana
Epps, Louisiana

We have compiled the accompanying general-purpose financial statements of Ward 1 Fire Protection District No. 1 of West Carroll Parish, Louisiana, (a component unit of West Carroll Parish) as of and for the year ended December 31, 2001, 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 District. We have not audited or reviewed the accompanying general-purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, equity and other credits, revenues, and expenditures. Accordingly, these financial statements are not designed for those who are not informed about such matters.

In accordance with *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated April 16, 2002, on the results of our agreed-upon procedures.


April 16, 2002

GENERAL-PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS)

WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

COMBINED BALANCE SHEET -
GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS
December 31, 2001

	<u>Governmental Fund Types</u>		<u>Account Groups</u>
	<u>General</u>	<u>Debt Service</u>	<u>General Fixed Assets</u>
ASSETS AND OTHER DEBITS			
Assets:			
Cash	\$ 34,831	\$ 23,347	\$ -
Taxes receivable	6,437	-	-
General fixed assets	-	-	318,772
Total assets	<u>\$ 41,268</u>	<u>\$ 23,347</u>	<u>\$ 318,772</u>
Other debits:			
Amount available in Debt Service Fund	\$ -	\$ -	\$ -
Amount to be provided	-	-	-
Total other debits	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total assets and other debits	<u>\$ 41,268</u>	<u>\$ 23,347</u>	<u>\$ 318,772</u>
LIABILITIES, EQUITY, AND OTHER CREDITS			
Liabilities:			
Accounts payable	\$ 6,902	\$ -	\$ -
Certificates of indebtedness	-	-	-
Total liabilities	<u>\$ 6,902</u>	<u>\$ -</u>	<u>\$ -</u>
Equity and other credits:			
Investment in general fixed assets	\$ -	\$ -	\$ 318,772
Fund balances:			
Reserved for debt service	-	23,347	-
Unreserved and undesignated	34,366	-	-
Total equity and other credits	<u>\$ 34,366</u>	<u>\$ 23,347</u>	<u>\$ 318,772</u>
Total liabilities, equity, and other credits	<u>\$ 41,268</u>	<u>\$ 23,347</u>	<u>\$ 318,772</u>

<u>General</u> <u>Long-Term Debt</u>	<u>Totals -</u> <u>(Memo-</u> <u>random Only)</u>
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\$ -	\$ 58,178
-	6,437
-	318,772
<u>\$ -</u>	<u>\$ 383,387</u>

\$ 23,346	\$ 23,346
<u>74,826</u>	<u>74,826</u>
<u>\$ 98,172</u>	<u>\$ 98,172</u>

<u>\$ 98,172</u>	<u>\$ 481,559</u>
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\$ -	\$ 6,902
<u>98,172</u>	<u>98,172</u>
<u>\$ 98,172</u>	<u>\$ 105,074</u>

\$ -	\$ 318,772
-	23,347
-	34,366
<u>\$ -</u>	<u>\$ 376,485</u>

<u>\$ 98,172</u>	<u>\$ 481,559</u>
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WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
For the Year Ended December 31, 2001

	<u>General</u>	<u>Debt Service</u>	Totals - Memorandum <u>Only</u>
Revenues:			
Taxes	\$ 65,481	\$ -	\$ 65,481
Intergovernmental	25,224	-	25,224
Interest and miscellaneous	4,119	309	4,428
	<u>\$ 94,824</u>	<u>\$ 309</u>	<u>\$ 95,133</u>
Expenditures:			
Public safety:			
Fuel	\$ 885	\$ -	\$ 885
Insurance	8,367	-	8,367
Legal and accounting	1,673	-	1,673
Office	779	5	784
Repairs and maintenance	9,343	-	9,343
Supplies	28,328	-	28,328
Training	936	-	936
Utilities	4,900	-	4,900
Debt service:			
Principal	-	18,458	18,458
Interest	-	4,580	4,580
Capital outlay	174,396	-	174,396
	<u>\$ 229,607</u>	<u>\$ 23,043</u>	<u>\$ 252,650</u>

(continued)

WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES (Continued)
For the Year Ended December 31, 2001

	<u>General</u>	<u>Debt Service</u>	Totals - Memorandum <u>Only</u>
Excess (deficiency) of revenues over expenditures	\$(134,783)	\$(22,734)	\$(157,517)
Other financing sources (uses):			
Loan proceeds	\$ 116,630	\$ -	\$ 116,630
Transfers in (out)	(46,081)	46,081	-
Total other financing sources	<u>\$ 70,549</u>	<u>\$ 46,081</u>	<u>\$ 116,630</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$(64,234)	\$ 23,347	\$(40,887)
Fund balance - beginning	<u>98,600</u>	<u>-</u>	<u>98,600</u>
Fund balance - ending	<u><u>\$ 34,366</u></u>	<u><u>\$ 23,347</u></u>	<u><u>\$ 57,713</u></u>

See accountant's compilation report.

WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GOVERNMENTAL FUND TYPE - GENERAL FUND
For the Year Ended December 31, 2001

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Revenues:			
Taxes	\$ 66,000	\$ 65,481	\$ (519)
Intergovernmental	3,500	25,224	21,724
Interest and miscellaneous	2,500	4,119	1,619
	<u>\$ 72,000</u>	<u>\$ 94,824</u>	<u>\$ 22,824</u>
Expenditures:			
Public safety:			
Fuel	\$ 900	\$ 885	\$ 15
Insurance	8,400	8,367	33
Legal and accounting	7,800	1,673	6,127
Office	570	779	(209)
Repairs and maintenance	10,000	9,343	657
Supplies	-	28,328	(28,328)
Training	1,100	936	164
Utilities	5,000	4,900	100
Capital outlay	62,700	174,396	(111,696)
	<u>\$ 96,470</u>	<u>\$ 229,607</u>	<u>\$ (133,137)</u>

(continued)

WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
GOVERNMENTAL FUND TYPE - GENERAL FUND (Continued)
For the Year Ended December 31, 2001

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Excess (deficiency) of revenues over expenditures	\$(24,470)	\$(134,783)	\$(110,313)
Other financing sources (uses):			
Loan proceeds	\$ -	\$ 116,630	\$ 116,630
Transfers in (out)	<u>(23,000)</u>	<u>(46,081)</u>	<u>(23,081)</u>
Total other financing sources (uses)	<u>\$(23,000)</u>	<u>\$ 70,549</u>	<u>\$ 93,549</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$(47,470)	\$(64,234)	\$(16,764)
Fund balance - beginning	<u>47,470</u>	<u>98,600</u>	<u>51,130</u>
Fund balance - ending	<u><u>\$ -</u></u>	<u><u>\$ 34,366</u></u>	<u><u>\$ 34,366</u></u>

See accountant's compilation report.

HILL, INZINA & COMPANY

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Ward 1 Fire Protection District No. 1
of West Carroll Parish, Louisiana
Epps, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Ward 1 Fire Protection District No. 1 of West Carroll Parish, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2001, 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.

Our applied procedures, together with any findings, follow:

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).
 - Our review of expenditure totals and the detail general ledger revealed individual expenditures for materials and supplies exceeding \$15,000 and no individual expenditure for public works exceeding \$100,000. We examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of the public bid law.

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.

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3. Obtain from management a listing of all employees paid during the period under examination.
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.
 - Management provided the required information. The District had no employees during the period under examination.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.
6. Trace the budget adoption and amendments to the minute book.
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 exceeded budgeted amounts by 5% or more.
 - Management provided copies of the original and amended budgets. We traced the adoption of the original and amended budgets to the minutes of meetings held on December 5, 2000 and November 6, 2001, respectively.
 - We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual expenditures and other financing uses of \$275,688 of the General Fund exceeded appropriations of \$119,470 by \$156,218 or 130.8%. The District did not appropriately budget for the capital outlay expenditures made during the period under examination.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and (a) trace payments to supporting documentation as to proper amount and payee; (b) determine if payments were properly coded to the correct fund and general ledger account; and (c) determine whether payments received approval from proper authorities.
 - We examined supporting documentation for each of the six selected disbursements and found that the payments were for the proper amounts and made to the correct payees; were properly coded to the correct fund and general ledger accounts; and received approval from the Board of Commissioners.

Meetings

9. Examine the 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).
 - The District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's meeting location. Management has asserted that postings were made of each meeting's time, date, and agenda on a website and that minutes of all meetings are periodically published in the official journal.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds or like indebtedness.
 - We scanned bank deposits and the detail general ledger for the period under examination and noted deposits which were proceeds of bank loans, bonds, or like indebtedness. Such deposits were appropriately accounted for as long-term debt and other financing sources.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments had been made to employees which may constitute bonuses, advances or gifts.
 - The District had no employees during the period under examination.

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 Ward 1 Fire Protection District No. 1 of West Carroll Parish, Louisiana, 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.

Hill, Anglin & Co.
April 16, 2002

LOUISIANA ATTESTATION QUESTIONNAIRE

January 29, 2002 (Date Transmitted)

Hill, Inzina & Co.
Certified Public Accountants
P. O. Box 631
Bastrop, LA 71221-0631

In connection with your compilation of our financial statements as of December 31, 2001, 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 January 29, 2002 (date of completion).

Public Bid Law

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

Yes [☒] No [☐]

Code of Ethics for Public Officials and Public Employees

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

Yes [☒] No [☐]

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

Yes [☐] No [☒]

Budgeting

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

Yes [☒] No [☐]

Accounting and Reporting

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

Yes ☒ No ☐

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

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

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

Yes ☒ No ☐

Debt

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

Yes ☒ No ☐

Advances and Bonuses

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

Yes ☒ No ☐

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

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

Mike Hall Chairman 1-29-02 Date
JfH Bookkeeper 1/29/02 Date

WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS
For the Year Ended December 31, 2001

We have compiled the general-purpose financial statements of Ward 1 Fire Protection District No. 1 of West Carroll Parish, Louisiana, as of and for the year ended December 31, 2001, and have issued our report thereon dated April 16, 2002. We conducted our compilation in accordance with *Statement on Standards for Accounting and Review Services*, issued by the American Institute of Certified Public Accountants.

Section I - Agreed-Upon Procedures

2001-1 Budgeting (initial citing)

- | | |
|-----------------|---|
| Criteria: | The Local Government Budget Act requires that the chief executive officer or equivalent notify in writing the governing authority during the year when total revenue and other financing sources plus projected revenue collections and other financing sources for the year fail to meet budgeted revenues and other financing sources by 5% or more, or when actual expenditures and other financing uses plus projected expenditures and other financing uses to year end exceed budgeted expenditures and other financing uses by 5% or more. |
| Condition: | Actual expenditures and other financing uses of \$275,688 exceeded budgeted expenditures and other financing uses of \$119,470 by \$156,218 or 130.8%. |
| Cause: | The budget of the General Fund was not monitored and amended as required when loan proceeds and grant funds were received for capital outlay expenditures. |
| Effect: | The District is in violation of the Local Government Budget Act. |
| Recommendation: | The chief executive officer or equivalent should notify the governing authority in writing during the year when actual expenditures and other financing uses plus projected expenditures and other financing uses to year end exceed budgeted expenditures and other financing uses by 5% or more. The governing authority should amend the budget when notified. |

Management's
corrective
action plan:

The chief executive officer concurs with the finding and will periodically monitor the budget and notify the governing authority in writing as amendments are required.

Section II - Management Letter

None issued.

WARD 1 FIRE PROTECTION DISTRICT NO. 1
OF WEST CARROLL PARISH, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2001

Section I -Agreed-Upon Procedures

No citings.

Section II - Management Letter

None issued.