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

FINANCIAL REPORT
(Compiled)

AND

REPORT ON APPLYING AGREED-UPON PROCEDURES

DECEMBER 31, 2003

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

Release Date 9.1.04

CONTENTS

| | Page(s) |
|---|-----------|
| ACCOUNTANT'S COMPILATION REPORT | 1 |
| GENERAL-PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS) | |
| Combined balance sheet - governmental fund types and account groups | 2 |
| Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types | 3 and 4 |
| Statement of revenues, expenditures, and changes in fund balance - budget and actual - governmental fund type - general fund | 5 |
| INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES | 6 - 8 |
| <i>LOUISIANA ATTESTATION QUESTIONNAIRE</i> | 9 - 11 |
| MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS | 12 and 13 |
| SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS | 14 |

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, 2003, 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 required by accounting principles generally accepted in the United States of America. 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 the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 25, 2004 on the results of our agreed-upon procedures.

Hill, Inzina & Co.

June 25, 2004

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, 2003

| | Governmental Fund Types | | Account Groups |
|---|----------------------------|--------------|-------------------------|
| | General | Debt Service | General Fixed Assets |
| ASSETS AND OTHER DEBITS | | | |
| Assets: | | | |
| Cash | \$ 54,584 | \$ 23,940 | \$ - |
| Taxes receivable | 4,580 | - | - |
| General fixed assets | - | - | 347,424 |
| Total assets | \$ 59,164 | \$ 23,940 | \$ 347,424 |
| Other debits: | | | |
| Amount available in Debt Service Fund | \$ - | \$ - | \$ - |
| Amount to be provided | - | - | - |
| Total other debits | \$ - | \$ - | \$ - |
| Total assets and other debits | \$ 59,164 | \$ 23,940 | \$ 347,424 |
| LIABILITIES, EQUITY, AND OTHER CREDITS | | | |
| Liabilities: | | | |
| Accounts payable | \$ 1,606 | \$ - | \$ - |
| Certificates of indebtedness | - | - | - |
| Total liabilities | \$ 1,606 | \$ - | \$ - |
| Equity and other credits: | | | |
| Investment in general fixed assets | \$ - | \$ - | \$ 347,424 |
| Fund balances: | | | |
| Reserved for debt service | - | 23,940 | - |
| Unreserved and undesignated | 57,558 | - | - |
| Total equity and other credits | \$ 57,558 | \$ 23,940 | \$ 347,424 |
| Total liabilities, equity, and other credits | \$ 59,164 | \$ 23,940 | \$ 347,424 |

| <u>General Long-Term Debt</u> | <u>Totals - (Memo- randum Only)</u> |
|-----------------------------------|---|
|-----------------------------------|---|

| | |
|-------------|-------------------|
| \$ - | \$ 78,524 |
| - | 4,580 |
| - | <u>347,424</u> |
| <u>\$ -</u> | <u>\$ 430,528</u> |

| | |
|------------------|------------------|
| \$ 23,940 | \$ 23,940 |
| <u>36,920</u> | <u>36,920</u> |
| <u>\$ 60,860</u> | <u>\$ 60,860</u> |

| | |
|------------------|-------------------|
| <u>\$ 60,860</u> | <u>\$ 491,388</u> |
|------------------|-------------------|

| | |
|------------------|------------------|
| \$ - | \$ 1,606 |
| <u>60,860</u> | <u>60,860</u> |
| <u>\$ 60,860</u> | <u>\$ 62,466</u> |

| | |
|-------------|-------------------|
| \$ - | \$ 347,424 |
| - | 23,940 |
| - | <u>57,558</u> |
| <u>\$ -</u> | <u>\$ 428,922</u> |

| | |
|------------------|-------------------|
| <u>\$ 60,860</u> | <u>\$ 491,388</u> |
|------------------|-------------------|

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, 2003

| | <u>General</u> | <u>Debt Service</u> | Totals - <u>Memorandum Only</u> |
|----------------------------|------------------|---------------------|--|
| Revenues: | | | |
| Taxes | \$ 61,095 | \$ - | \$ 61,095 |
| Intergovernmental | 4,379 | - | 4,379 |
| Interest and miscellaneous | 228 | 108 | 336 |
| | <u>\$ 65,702</u> | <u>\$ 108</u> | <u>\$ 65,810</u> |
| Expenditures: | | | |
| Public safety: | | | |
| Contract labor | \$ 1,280 | \$ - | \$ 1,280 |
| Fuel | 485 | - | 485 |
| Insurance | 9,963 | - | 9,963 |
| Legal and accounting | 1,998 | - | 1,998 |
| Office | 1,884 | 13 | 1,897 |
| Repairs and maintenance | 7,215 | - | 7,215 |
| Supplies | 446 | - | 446 |
| Training | 958 | - | 958 |
| Utilities | 5,345 | - | 5,345 |
| Debt service: | | | |
| Principal | - | 19,072 | 19,072 |
| Interest | - | 3,299 | 3,299 |
| Capital outlay | 802 | - | 802 |
| | <u>\$ 30,376</u> | <u>\$ 22,384</u> | <u>\$ 52,760</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, 2003

| | <u>General</u> | <u>Debt Service</u> | <u>Totals - Memorandum Only</u> |
|---|------------------|---------------------|---|
| Excess (deficiency) of revenues over expenditures | \$ 35,326 | \$(22,276) | \$ 13,050 |
| Other financing sources (uses): | | | |
| Transfers in (out) | (23,600) | 23,600 | - |
| Sale of fixed assets | <u>1,700</u> | <u>-</u> | <u>1,700</u> |
| Excess of revenues and other financing sources over expenditures and other financing uses | \$ 13,426 | \$ 1,324 | \$ 14,750 |
| Fund balance - beginning | <u>44,132</u> | <u>22,616</u> | <u>66,748</u> |
| Fund balance - ending | <u>\$ 57,558</u> | <u>\$ 23,940</u> | <u>\$ 81,498</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, 2003

| | <u>Budget</u> | <u>Actual</u> | Variance - Favorable <u>(Unfavorable)</u> |
|--|------------------|------------------|---|
| Revenues: | | | |
| Taxes | \$ 60,000 | \$ 61,095 | \$ 1,095 |
| Intergovernmental | 4,000 | 4,379 | 379 |
| Interest and miscellaneous | - | 228 | 228 |
| | <u>\$ 64,000</u> | <u>\$ 65,702</u> | <u>\$ 1,702</u> |
| Expenditures: | | | |
| Public safety: | | | |
| Contract labor | \$ - | \$ 1,280 | \$(1,280) |
| Fuel | 1,000 | 485 | 515 |
| Insurance | 10,000 | 9,963 | 37 |
| Legal and accounting | 3,500 | 1,998 | 1,502 |
| Office | 2,200 | 1,884 | 316 |
| Repairs and maintenance | 7,000 | 7,215 | (215) |
| Supplies | - | 446 | (446) |
| Training | 1,300 | 958 | 342 |
| Utilities | 5,000 | 5,345 | (345) |
| Capital outlay | 8,000 | 802 | 7,198 |
| | <u>\$ 38,000</u> | <u>\$ 30,376</u> | <u>\$ 7,624</u> |
| Excess of revenues over expenditures | \$ 26,000 | \$ 35,326 | \$ 9,326 |
| Other financing sources (uses): | | | |
| Transfers in (out) | (22,500) | (23,600) | (1,100) |
| Sale of fixed assets | - | 1,700 | 1,700 |
| | <u>-</u> | <u>1,700</u> | <u>1,700</u> |
| Excess of revenues and other financing sources over expenditures and other financing uses | \$ 3,500 | \$ 13,426 | \$ 9,926 |
| Fund balance - beginning | <u>44,132</u> | <u>44,132</u> | <u>-</u> |
| Fund balance - ending | <u>\$ 47,632</u> | <u>\$ 57,558</u> | <u>\$ 9,926</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, 2003, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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).
 - o Our review of expenditure totals and the detail general ledger revealed no individual expenditure for materials and supplies exceeding \$15,000 and no individual expenditure for public works exceeding \$100,000.

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.

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 budget amendments to the minutes of a meeting held on October 7, 2003; however, the 2003 minutes did not reflect the 2003 original budget ever being formally adopted by the Board of Commissioners.
 - We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues or expenditures for the year did not exceed appropriations by 5% or more.

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 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 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 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, Arpin & Co.

June 25, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE

4-6-04 (Date Transmitted)

In connection with the compilation of our financial statements as of December 31, 2003, and for the period 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 4-6-04 (date of completion/representations).

Public Bid Law

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

Yes No

Code of Ethics for Public Officials and Public Employees

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

Yes No

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

Yes No

Budgeting

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

Yes No

Accounting and Reporting

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

Yes No

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

Yes No

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

Yes No

Meetings

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

Yes No

Debt

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

Yes No

Advances and Bonuses

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

Yes No

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

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

Mike Hall Chairman 4-6-04 Date
Rose McCallister Treasurer 4-6-04 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, 2003

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, 2003, and have issued our report thereon dated June 25, 2004. 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

2003-1 Noncompliance with Local Government Budget Act (citing was also made in compilation/attestation reports for years ended December 31, 2001 and 2002)

Criteria: The Local Government Budget Act requires that the chief executive officer, or equivalent, prepare a proposed budget for the General Fund that includes a budget message and a budget adoption instrument that specifies the chief executive's authority to make budgetary amendments without approval of the governing authority. The proposed budget is to be submitted to the governing authority and made available for public inspection at least 15 days prior to the beginning of the budget year. All action necessary to adopt and finalize the budget for an ensuing fiscal year should be taken in open meeting and completed prior to the end of the fiscal year in progress.

Condition: The budget for the General Fund was not formally adopted in open meeting by the Board of Commissioners although budget amendments were formally approved in open meeting in October 2003. Also, the prepared original budget did not include a budget message or a budget adoption instrument.

Cause: Due to oversight, the General Fund's original budget was not formally adopted in open meeting by the Board of Commissioners.

Effect: The District is in violation of the Local Government Budget Act.

Recommendation: For each subsequent fiscal year, the chief executive officer, or equivalent, should prepare a proposed budget for the General Fund that includes a budget message and a budget adoption instrument. The proposed budget should be submitted to the governing authority and made available for public inspection at least 15 days prior to the beginning of the budget year. All action necessary to adopt and finalize the budget should be taken in open meeting and completed prior to the end of the fiscal year in progress.

**Management's
corrective
action plan:**

Management concurs with the findings and will timely prepare and formally adopt budgets for each subsequent fiscal year.

2003-2 Noncompliance with Open Meetings Law (initial citing)

Criteria: Pursuant to LSA-RS 42:1 through 42:12 (the open meetings law), all public bodies are to give written public notice of their meetings no later than 24 hours before the meeting. Such notice is to include the agenda, date, time, and place of the meeting.

Condition: During 2003, the District did not prepare agendas for their meetings but did post notice as to the date, time, and place of the meetings.

Cause: With a change in responsible parties, the preparation of the agendas was overlooked.

Effect: The District is in violation of the open meetings law.

**Management's
corrective
action plan:**

Management concurs with the finding and will timely prepare and post agendas for each meeting to be held.

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, 2003

Section I - Agreed-Upon Procedures

2002-1 Noncompliance with Local Government Budget Act

The budget of the General Fund was not monitored and amended as required when expenditures and other financing uses exceeded appropriations by 5% or more.

No longer applicable.

Section II - Management Letter

None issued.