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WARD 2 FIRE DISTRICT
PIONEER, LOUISIANA

ANNUAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 1999

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 8-30-00

PREPARED BY:

JOHN M. GATHINGS
CERTIFIED PUBLIC ACCOUNTANT
OAK GROVE, LOUISIANA 71263

WARD 2 FIRE DISTRICT

**GENERAL PURPOSE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1998**

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WARD 2 FIRE DISTRICT
Pioneer, Louisiana

TRANSMITTAL LETTER
ANNUAL GENERAL PURPOSE FINANCIAL STATEMENTS

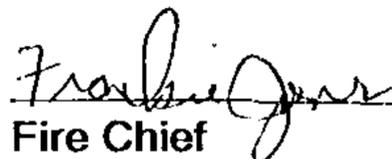
June 23, 2000

Office of the Legislative Auditor
Attention: Ms. Dorothy Milner
Post Office Box 94397
1600 North Third Street
Baton Rouge, Louisiana 70804-9397

Dear Ms. Milner:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Ward 2 Fire District as of and for the year ended December 31, 1999. The report includes all funds under the control and oversight of the fire district. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Fire Chief

Enclosure

WARD 2 FIRE DISTRICT
Pioneer, Louisiana

ANNUAL SWORN FINANCIAL STATEMENTS

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the year.

AFFIDAVIT

Personally came and appeared before the undersigned authority, Frankie Jones, Fire Chief of Ward 2 Fire District, who, duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Ward 2 Fire District as of December 31, 1999, and the results of operations for the year then ended, in accordance with generally accepted accounting principles. accounting principles, applied on a basis consistent with that of the preceding year.

Sworn to and subscribed before me, this 28th day of June, 2000.



NOTARY PUBLIC

Fire Chief Frankie Jones

Address PO Box 1870

Pioneer La 71266

Phone No. 318-2428-3781

JOHN M. GATHINGS
Certified Public Accountant
Hwy. 2 East – Oak Grove, Louisiana 71263

318/428-3549

P.O. Box 1088

INDEPENDENT AUDITOR'S REPORT

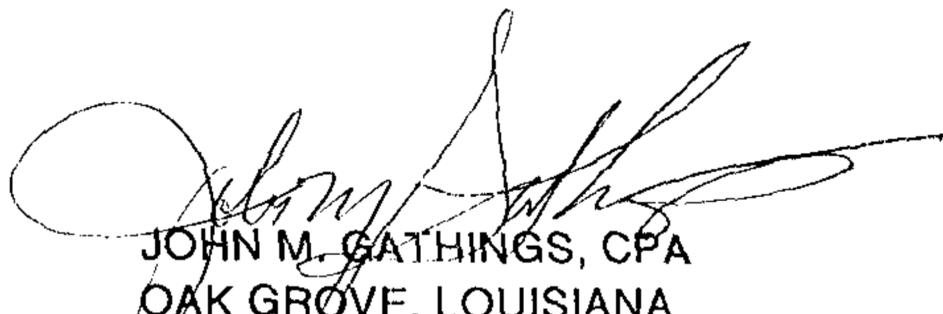
Frankie Jones, Fire Chief
Ward 2 Fire District
Pioneer, Louisiana

I have compiled the accompanying general purpose financial statements of the Ward 2 Fire District as of and for the year ended December 31, 1999, 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. I 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.

My compilation procedures were extended to include the financial statement of individual funds and the supplemental information presented herein.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated June 23, 2000, on the results of our agreed-upon procedures.



JOHN M. GATHINGS, CPA
OAK GROVE, LOUISIANA
JUNE 23, 2000

WARD 2 FIRE DISTRICT
Pioneer, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Balance Sheet
DECEMBER 31, 1999

	GOVERNMENTAL FUND TYPE GENERAL FUND	SPECIAL REVENUE FUND
<u>ASSETS</u>		
<u>CURRENT ASSETS:</u>		
Cash and Cash Equivalents	\$4,539.31	\$25,797.08
Investments	0.00	20,572.88
Receivables	0.00	20,274.83
Due From Other Funds	<u>13,030.44</u>	<u>0.00</u>
TOTAL CURRENT ASSETS	\$17,569.75	\$66,644.79
 <u>PROPERTY AND EQUIPMENT:</u>		
Land	\$0.00	\$0.00
Building	0.00	0.00
Equipment	<u>0.00</u>	<u>0.00</u>
TOTAL PROPERTY and EQUIPMENT	\$0.00	\$0.00
 Amount to be Provided for Bond		
Retirement	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL AMOUNT TO BE PROVIDED	\$0.00	\$0.00
TOTAL ASSETS	<u><u>\$17,569.75</u></u>	<u><u>\$66,644.79</u></u>

ACCOUNT GROUPS			
GENERAL FIXED <u>ASSETS</u>	GENERAL LONG-TERM <u>DEBT</u>	TOTAL (MEMORANDUM <u>ONLY</u>)
\$0.00		\$0.00	\$30,336.39
0.00		0.00	20,572.88
0.00		0.00	20,274.83
<u>0.00</u>		<u>0.00</u>	<u>13,030.44</u>
\$0.00		\$0.00	\$84,214.54
\$1,250.00		\$0.00	\$1,250.00
111,279.91		0.00	111,279.91
<u>170,771.72</u>		<u>\$0.00</u>	<u>170,771.72</u>
\$283,301.63		\$0.00	\$283,301.63
<u>\$0.00</u>		<u>\$92,000.00</u>	<u>\$92,000.00</u>
\$0.00		\$92,000.00	\$92,000.00
<u>\$283,301.63</u>		<u>\$92,000.00</u>	<u>\$459,516.17</u>

(CONTINUED)

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT
Pioneer, Louisiana

Balance Sheet
DECEMBER 31, 1999

	GOVERNMENTAL FUND TYPE GENERAL FUND	SPECIAL REVENUE FUND
<u>LIABILITIES AND FUND EQUITY</u>		
LIABILITIES:		
Due to General Fund	\$0.00	\$13,030.44
Bond Indebtness	<u>0.00</u>	<u>0.00</u>
TOTAL LIABILITIES	\$0.00	\$13,030.44
Fund Equity:		
Investment in general fixed assets	\$0.00	\$0.00
Fund Balance-Unreserved-undesignated	\$17,569.75	43,477.81
Fund Balance-Designated	<u>0.00</u>	<u>10,136.54</u>
Total Fund Equity	<u>\$17,569.75</u>	<u>\$53,614.35</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$17,569.75</u></u>	<u><u>\$66,644.79</u></u>

ACCOUNT GROUPS			
GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
\$0.00		\$0.00	\$13,030.44
<u>0.00</u>		<u>92,000.00</u>	<u>92,000.00</u>
\$0.00		\$92,000.00	\$105,030.44
\$283,301.63		\$0.00	\$283,301.63
0.00		0.00	\$61,047.56
<u>0.00</u>		<u>0.00</u>	<u>\$10,136.54</u>
<u>\$283,301.63</u>		<u>\$0.00</u>	<u>\$354,485.73</u>
<u>\$283,301.63</u>		<u>\$92,000.00</u>	<u>\$459,516.17</u>

(CONCLUDED)

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT
Combined Statement of Receipts, Expenditures and Changes in Fund Balances
All Governmental Fund Types

For the Year Ended December 31, 1999

REVENUES:

Donations	\$560.00
Interest	738.66
Miscellaneous	1,563.35
Sales Taxes	58,349.62
2% Fire Insurance Rebate	<u>3,613.92</u>
TOTAL REVENUES	\$64,825.55

EXPENDITURES:

Repairs to Fire Truck	\$1,680.95
Supplies	7,946.59
Gasoline	801.11
Bonds Payable	9,000.00
Interest	5,790.00
Training and Safety Banquet	2,670.62
Utilities	2,376.68
Office Supplies	889.01
Capital Outlay	11,793.88
Insurance	3,211.00
Miscellaneous	<u>1,218.10</u>
TOTAL EXPENDITURES	<u>\$47,377.94</u>

EXCESS OF REVENUES OVER EXPENDITURES **\$17,447.61**

FUND BALANCE AT BEGINNING OF YEAR **\$53,736.49**

FUND BALANCE AT THE END OF YEAR **\$71,184.10**

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
All Fund Types
For the Year Ended December 31, 1999

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES:			
2% Fire Insurance Rebate	\$3,600.00	\$3,613.92	\$13.92
Interest	750.00	738.66	(\$11.34)
Other	2,000.00	2,123.35	123.35
Sales Taxes	<u>58,000.00</u>	<u>58,349.62</u>	<u>349.62</u>
TOTAL RECEIPTS	\$64,350.00	\$64,825.55	\$475.55
EXPENDITURES:			
Interest	\$5,750.00	\$5,790.00	(\$40.00)
Truck Expenses	2,500.00	2,482.06	17.94
Capital Outlay	12,000.00	11,793.88	206.12
Office Expense	875.00	889.01	(14.01)
Supplies	8,050.00	7,946.59	103.41
Bonds Payable	9,000.00	9,000.00	0.00
Utilities	2,500.00	2,376.68	123.32
Training	2,700.00	2,670.62	29.38
Miscellaneous	1,200.00	1,218.10	(18.10)
Insurance	<u>3,000.00</u>	<u>3,211.00</u>	<u>(211.00)</u>
TOTAL EXPENDITURES	<u>\$47,575.00</u>	<u>\$47,377.94</u>	<u>\$197.06</u>
EXCESS OF RECEIPTS OVER EXPENDITURES	\$16,775.00	\$17,447.61	<u>\$672.61</u>
FUND BALANCE: AT BEGINNING OF YEAR	<u>\$35,749.65</u>	<u>\$53,736.49</u>	
FUND BALANCE: AT THE END OF YEAR	<u>\$52,524.65</u>	<u>\$71,184.10</u>	

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
For the Year Ended December 31, 1999

REVENUES:

Contributions	\$560.00
2% Fire Insurance Rebate	<u>3,613.92</u>
TOTAL REVENUES	\$4,173.92

EXPENDITURES:

Office Expense	374.70
Miscellaneous	103.95
Training and Awards Banquet	1,451.42
Supplies	<u>50.97</u>
TOTAL EXPENDITURES	<u>\$1,981.04</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$2,192.88
FUND BALANCE AT BEGINNING OF YEAR	<u>\$15,376.87</u>
FUND BALANCE AT THE END OF YEAR	<u><u>\$17,569.75</u></u>

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 1999

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES:			
2% Fire Insurance Rebate	\$3,600.00	\$3,613.92	\$13.92
Other Income	<u>500.00</u>	<u>560.00</u>	<u>\$60.00</u>
TOTAL REVENUES	\$4,100.00	\$4,173.92	\$73.92
EXPENDITURES:			
Office Expense	\$375.00	374.70	0.30
Supplies	50.00	50.97	(0.97)
Training	1,500.00	1,451.42	48.58
Truck Repairs	0.00	0.00	0.00
Miscellaneous	<u>100.00</u>	<u>103.95</u>	<u>(3.95)</u>
TOTAL EXPENDITURES	<u>\$2,025.00</u>	<u>\$1,981.04</u>	<u>\$43.96</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$2,075.00	\$2,192.88	<u>\$117.88</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>\$15,376.87</u>	<u>\$15,376.87</u>	
FUND BALANCE AT THE END OF YEAR	<u>\$17,451.87</u>	<u>\$17,569.75</u>	

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Fund
For the Year Ended December 31, 1999

RECEIPTS:

Interest	\$738.66
Other Income	1,563.35
Sales Taxes	<u>58,349.62</u>
TOTAL RECEIPTS	\$60,651.63

EXPENDITURES:

Interest	\$5,790.00
Bonds Payable	9,000.00
Office Expense	514.31
Capital Outlay	11,793.88
Utilities	2,376.68
Supplies	7,895.62
Truck Expenses	1,680.95
Training	1,219.20
Miscellaneous	1,114.15
Insurance	3,211.00
Fuel	<u>801.11</u>
TOTAL EXPENDITURES	<u>\$45,396.90</u>

EXCESS OF REVENUES OVER EXPENDITURES **\$15,254.73**

FUND BALANCE AT BEGINNING OF YEAR **\$38,359.62**

FUND BALANCE AT THE END OF YEAR **\$53,614.35**

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Special Revenue Fund
For the Year Ended December 31, 1999

	<u>Budget as</u> <u>Amended</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES:			
Interest	\$750.00	\$738.66	(11.34)
Other Income	1,500.00	1,563.35	63.35
Sales Taxes	<u>58,000.00</u>	<u>58,349.62</u>	<u>349.62</u>
TOTAL REVENUES	\$60,250.00	\$60,651.63	\$401.63
EXPENDITURES:			
Interest	\$5,750.00	\$5,790.00	(\$40.00)
Bonds Payable	9,000.00	9,000.00	0.00
Miscellaneous	1,100.00	1,114.15	(14.15)
Truck Expenses	2,500.00	2,482.06	17.94
Capital Outlay	12,000.00	11,793.88	206.12
Office Expenses	500.00	514.31	(14.31)
Utilities	2,500.00	2,376.68	123.32
Training	1,200.00	1,219.20	(19.20)
Insurance	3,000.00	3,211.00	(211.00)
Supplies	<u>8,000.00</u>	<u>7,895.62</u>	<u>104.38</u>
TOTAL EXPENDITURES	<u>\$45,550.00</u>	<u>\$45,396.90</u>	<u>\$153.10</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$14,700.00	\$15,254.73	<u><u>\$554.73</u></u>
FUND BALANCE AT BEGINNING OF YEAR	<u>\$38,359.62</u>	<u>\$38,359.62</u>	
FUND BALANCE THE END OF YEAR	<u><u>\$53,059.62</u></u>	<u><u>\$53,614.35</u></u>	

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT.

WARD 2 FIRE DISTRICT

Pioneer, Louisiana

Notes to the Financial Statements For the Year Ended December 31, 1999

This legal entity was established to provide fire protection for the political subdivision of Ward 2 in the parish of West Carroll. This entity operates independent of any other parish governing body, but functions under guidelines set forth by the West Carroll Parish Police Jury. All members of the board serve with no compensation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Ward 2 Fire District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the West Carroll Parish Police Jury is the financial reporting entity for West Carroll Parish. The financial reporting entity consist of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the West Carroll Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or

WARD 2 FIRE DISTRICT

Pioneer, Louisiana

Notes to the Financial Statements

For the Year Ended December 31, 1999

- b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature of significance of the relationship.

Because the Ward 2 Fire District is fiscally dependent on the police jury, the district was determined to be a component unit of the West Carroll Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

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

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recored in the funds because they do not directly affect net expendable available financial resources.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursement

WARD 2 FIRE DISTRICT

Pioneer, Louisiana

Notes to the Financial Statements For the Year Ended December 31, 1999

of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the district include:

1. General Fund – the general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues:

All revenues are recorded when received.

Expenditures:

Expenditures are generally recognizable under the modified accrual basis of accounting, when the liability is incurred.

E. BUDGETARY PRACTICES:

The Ward 2 Fire District did adopt a budget for the year 1999.

F. CASH AND CASH EQUIVALENTS:

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those

WARD 2 FIRE DISTRICT
Pioneer, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1999

investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the district may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

G. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

H. COMPENSATED ABSENCES

The district has no paid employees therefore there is no policy relating to vacation and sick leave.

I. FUND EQUITY

Reserves

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

Designated Fund Balances

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

WARD 2 FIRE DISTRICT
Pioneer, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1999

J. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or result of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CASH AND CASH EQUIVALENTS

The Ward 2 Fire District maintains two checking accounts in Deposit Guaranty in Delhi, Louisiana. The account numbers are 0330566 and 0327573 and had a total balance at December 31, 1999 of \$14,121.22. The District also has two savings accounts with a balance of \$16,215.17. All accounts are insured by the FDIC in the amount of \$100,000.00.

3. INVESTMENTS

The Ward 2 Fire District purchased two Certificate of Deposits with a combined balance of \$20,572.88 as of December 31, 1999. One certificate earns 4.70% and the other earns 4.00%.

4. RECEIVABLES

The district has receivables only for the property assessment. This receivables are from uncollected property assessments. The district's board reviews these receivables each year and has liens filed on the property for assessments over two years old. The receivables totaled \$20,274.83 at December 31, 1999. On October 1, 1996 the citizens of West Carroll Parish past a 1/2% sales tax to pay for fire protection to go into effect January 1, 1997. This tax is to replace the assessment levied by the fire district. The collectability of the receivables will be very doubtfully.

5. RELATED PARTY TRANSACTIONS

There are no related party transactions to disclose as required by FASB 57.

WARD 2 FIRE DISTRICT
Pioneer, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1999

6. LITIGATION AND CLAIMS

The Ward 2 Fire District is not a defendant in any litigation seeking damages.

7. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, <u>1999</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>1999</u>
Land	\$1,250.00	\$0.00	\$0.00	\$1,250.00
Building	\$111,279.91	\$0.00	\$0.00	\$111,279.91
Equipment	<u>\$158,977.84</u>	<u>\$11,793.88</u>	<u>\$0.00</u>	<u>\$170,771.72</u>
Total	<u>\$271,507.75</u>	<u>\$11,793.88</u>	<u>\$0.00</u>	<u>\$283,301.63</u>

8. LONG-TERM DEBT

In April 1997 the Ward 2 Fire District issued a \$110,000.00 bond certificate. The proceeds of the bond was to provide equipment and buildings for the District. The bond was a privately placed bond. The District established a sinking fund, into which they pay the amount of \$1,300.00 per month. The bond calls for interest to be paid every six months and the principal to be paid on annually. The bond has a 6% interest rate and is amortized over a Ten year period. The payment on this bond is current as of December 31, 1999.

9. SUBSEQUENT EVENTS

There were no events that occurred after the close of field work and prior to the issuance of this report that materially effected the Ward 2 Fire District.

JOHN M. GATHINGS
Certified Public Accountant
Hwy. 2 East – Oak Grove, Louisiana 71263

318/428-3549

P.O. Box 1088

INDEPENDENT AUDITOR'S REPORT
on APPLYING AGREED-UPON PROCEDURES

Frankie Jones, Fire Chief
Ward 2 Fire District
Pioneer, Louisiana 71266

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

PUBLIC BID LAW

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no purchases made during the period that exceeded the spending limits set by LSA-RS 38:2211-2251.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of

outside business interests of all board members and employees, as well as their immediate families.

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

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

All persons involved with the fire district serve on a voluntary basis.

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

There were no employees for the fire district.

BUDGETING

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

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

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

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. The budgets for the general fund and the special revenue fund were within the 5% limit. Both budgets had a positive revenue amount when compared to the disbursements.

ACCOUNTING AND REPORTING

7. Randomly selected 6 disbursements made during the period under examination and:
 - (a) trace payments to supporting documentation as to proper amounts and payee:

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

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

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

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

Inspection of documentation supporting each of the six selected disbursements indicated that each check had 2 signatures as required by the Fire District Board meeting.

MEETINGS

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

The Ward 2 Fire District met on an irregular basis. Each time there was a meeting each member of the Board was informed of the meeting by the Fire Chief. No formal minutes were kept on the meetings.

DEBT

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

I inspected copies of all bank deposit slips for the period under examination and noted that no deposits appeared to be from loan proceeds. Some of the deposits were from transfers from the savings accounts.

ADVANCES AND BONUSES

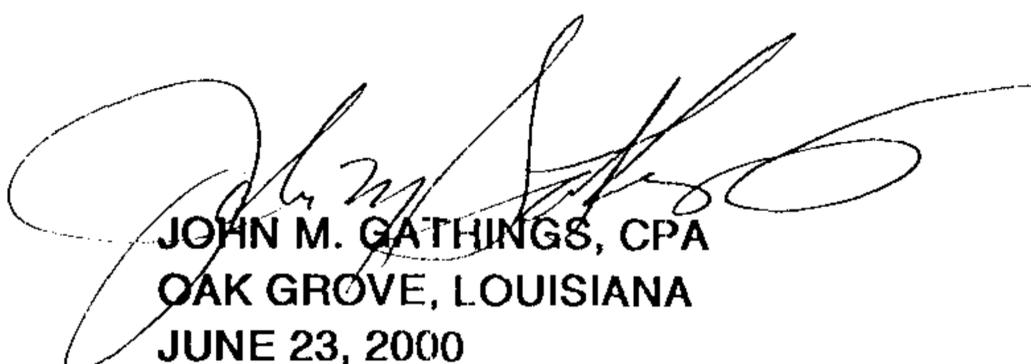
10. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

There were no employees for the fire district.

The prior year report, for the period ended December 31, 1998, had as a finding that the District did not maintain and publish minutes of their meetings. This matter has not been rectified.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Ward 2 Fire District and the Legislative Auditor, State of Louisiana, and should not be used by those who *have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes*. However, this report is a matter of public record and its distribution is not limited.



JOHN M. GATHINGS, CPA
OAK GROVE, LOUISIANA
JUNE 23, 2000

WARD 2 FIRE DISTRICT

SCHEDULE OF FINDINGS

For the Year Ended December 31, 1999

Criteria: Minutes of meetings

Condition: The Fire District should have regular meetings with timely notification to all members. There should be adequate minutes of each meeting.

Cause: Timely meetings were not held and inadequate minutes.

Effect: The official operations of the District is not known. Matters of the Board are not recorded.

Recommendation: Start having regular called meetings. Post the time and date on the door to the meeting hall. Have someone present to take minutes of the proceedings.

Management's response: We will have regular meetings and take complete minutes of all business conducted.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

JUNE 23, 2000 (Date Transmitted)

JOHN M GATHINGS, CPA
P.O. Box 1088
OAK GROVE, LA 71263 (Auditors)

In connection with your compilation of our financial statements as of [date] 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 regulation 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 (date of completion/representations). 12-31-99

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 []

