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COMPONENT UNIT
FINANCIAL STATEMENTS
OF THE
FIRE PROTECTION DISTRICT NO. 8 OF
ACADIA PARISH
STATE OF LOUISIANA
AS OF DECEMBER 31, 1998

Under the provisions of the Louisiana
Revised Statutes, the Board of
Fire Protection District No. 8 of
Acadia Parish, Louisiana, has
authorized the undersigned to
prepare and issue financial
statements for the year ended
December 31, 1998, in accordance
with the provisions of the
Louisiana Revised Statutes.

Noted and approved: **MAR 10 1999**

FREDERICK, NORTON, ROBERT & SCHULTHESS
Certified Public Accountants
(A Professional Corporation)
345 E. Academy Street
P. O. Drawer 1429
Jennings, Louisiana 70546

**FIRE PROTECTION DISTRICT No. 8 of ACADIA PARISH
(POLITICAL SUBDIVISION)
CROWLEY, LOUISIANA**

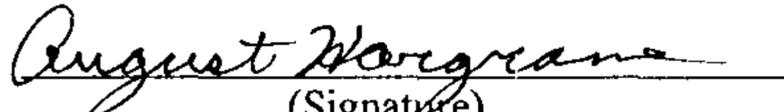
**ANNUAL SWORN FINANCIAL STATEMENTS AND
CERTIFICATION OF REVENUES \$50,000 OR LESS (if applicable)**

The annual sworn financial statement are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the closed of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513(l)(l)(c)(i).

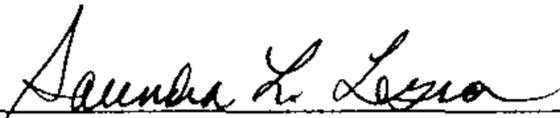
AFFIDAVIT

Personally came and appeared before the undersigned authority **AUGUST HARGRAVE**, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the **FIRE PROTECTION DISTRICT No. 8 of ACADIA PARISH** as of December 31, 1998, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition **AUGUST HARGRAVE**, who, duly sworn, deposes and says that the **FIRE PROTECTION DISTRICT No. 8 of ACADIA PARISH** received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 1998, and, accordingly, is not required to have an audit for the previously mentioned fiscal year-end.


(Signature)

Sworn to and subscribed before me, this 15th day of March, 1999.


NOTARY PUBLIC

Officer	August Hargrave
Address	178 Cottontail Lane Crowley, LA 70546
Telephone	(318) 783-4172

FIRE PROTECTION DISTRICT NO. 8 OF
ACADIA PARISH
STATE OF LOUISIANA

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**FREDERICK, NORTON,
ROBERT & SCHULTHESS**

CERTIFIED PUBLIC ACCOUNTANTS
(A PROFESSIONAL CORPORATION)

*Ronald W. Frederick, CPA
Carl W. Norton, CPA
James R. Robert, Jr., CPA
Melvin R. Schulthess, CPA*

345 EAST ACADEMY AVENUE
POST OFFICE DRAWER 1429
JENNINGS, LOUISIANA 70546

(318) 824-2395 (318) 824-8028
(318) 824-8080 FAX (318) 824-8082

Members:

*American Institute of Certified Public Accountants
Louisiana Society of Certified Public Accountants*

ACCOUNTANTS' COMPILATION REPORT

To the Honorable Board of Commissioners
Fire Protection District No. 8 of
Acadia Parish
State of Louisiana

We have compiled the component unit financial statements of the Fire Protection District No. 8 of Acadia Parish, State of Louisiana as of December 31, 1998, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Frederick, Norton, Robert & Schulthess

FREDERICK, NORTON, ROBERT & SCHULTHESS
January 25, 1999

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

COMPONENT UNIT
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
AS OF DECEMBER 31, 1998

	-GOVERNMENTAL FUND-TYPE-		-ACCOUNT GROUPS-		TOTAL
	GENERAL FUND	DEBT SERVICE FUND	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(MEMORANDUM ONLY)
ASSETS:					
Cash (See Note 1E)	\$ 41	\$ 50	\$ -0-	\$ -0-	\$ 91
Parcel Fee Taxes Receivable					
(Net of Allowances)	16,375	-0-	-0-	-0-	16,375
Fixed Assets	-0-	-0-	75,276	-0-	75,276
Amount Available In Debt Service	-0-	-0-	-0-	50	50
Amount To Be Provided For Certificates of Indebtedness	-0-	-0-	-0-	-0-	-0-
Total Assets	<u>\$ 16,416</u>	<u>\$ 50</u>	<u>\$ 75,276</u>	<u>\$ 47,000</u>	<u>\$ 138,742</u>
LIABILITIES OTHER CREDITS AND FUND EQUITY:					
Liabilities:					
Certificates of Indebtedness Payable	\$ -0-	\$ -0-	\$ -0-	\$ 47,000	47,000
Total Liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 47,000</u>	<u>\$ 47,000</u>
Other Credits And Fund Equity:					
Investment in General	\$ -0-	\$ -0-	\$ 75,276	\$ -0-	\$ 75,276
Fixed Assets					
Fund Balance					
- Reserved					
- Unreserved					
- Designated for Debt Service	-0-	50	-0-	-0-	50
- Undesignated	16,416	-0-	-0-	-0-	16,416
Total Other Credits and Fund Equity	<u>\$ 16,416</u>	<u>\$ 50</u>	<u>\$ 75,276</u>	<u>\$ -0-</u>	<u>\$ 91,742</u>
Total Liabilities Other Credits and Fund Equity	<u>\$ 16,416</u>	<u>\$ 50</u>	<u>\$ 75,276</u>	<u>\$ 47,000</u>	<u>\$ 138,742</u>

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

COMPONENT UNIT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND TYPE - GENERAL FUND
AND DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 1998

	<u>GENERAL FUND</u>	<u>DEBT SERVICE FUND</u>	<u>TOTAL MEMORANDUM ONLY</u>
<u>REVENUES:</u>			
Parcel Fee Taxes	\$ 16,787	\$ -0-	\$ 16,787
Interest Income	103	-0-	103
Other Income	2,828	-0-	2,828
Total Revenues	<u>\$ 19,718</u>	<u>\$ -0-</u>	<u>\$ 19,718</u>
<u>EXPENDITURES:</u>			
Finance & Administrative	\$ 1,982	\$ -0-	\$ 1,982
Operating	4,171	-0-	4,171
Debt Service & Interest	3,315	8,000	11,315
Capital Outlay	2,000	-0-	2,000
Total Expenditures	<u>\$ 11,468</u>	<u>\$ 8,000</u>	<u>\$ 19,468</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 8,250</u>	<u>(\$ 8,000)</u>	<u>\$ 250</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers In (Out)	(\$ 8,025)	\$ 8,025	\$ -0-
Total Other Financing Sources (Uses)	<u>(\$ 8,025)</u>	<u>\$ 8,025</u>	<u>\$ -0-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$ 225	\$ 25	\$ 250
Fund Balance - Beginning	<u>16,191</u>	<u>25</u>	<u>16,216</u>
Fund Balance - Ending	<u>\$ 16,416</u>	<u>\$ 50</u>	<u>\$ 16,466</u>

See Accompanying Notes and Accountants' Compilation Report

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

COMPONENT UNIT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES:</u>			
Parcel Fee Taxes	\$ 15,900	\$ 16,787	\$ 887
Interest Income	-0-	103	103
Other Income	3,230	2,828	(402)
Total Revenues	\$ 19,130	\$ 19,718	\$ 588
<u>EXPENDITURES:</u>			
Finance & Administrative	\$ 1,898	\$ 1,982	(\$ 84)
Operating	4,415	4,171	244
Debt Service & Interest	3,315	3,315	-0-
Capital Outlay	1,500	2,000	(500)
Total Expenditures	\$ 11,128	\$ 11,468	(\$ 340)
Excess of Revenues Over (Under) Expenditures	\$ 8,002	\$ 8,250	\$ 248
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers In (Out)	(\$ 8,000)	(\$ 8,025)	(\$ 25)
Total Other Financing Sources (Uses)	(\$ 8,000)	(\$ 8,025)	(\$ 25)
Excess of Revenues and Other Financing Sources Over (Under) Expenditures	\$ 2	\$ 225	\$ 223
Fund Balance - Beginning	16,191	16,191	-0-
Fund Balance - Ending	\$ 16,193	\$ 16,416	\$ 223

See Accompanying Notes and Accountants' Compilation Report

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 1998

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by the provisions of Part I, Chapter 7, Title 40 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto, the Police Jury of Acadia Parish created the Fire Protection District No. 8 of Acadia Parish, State of Louisiana to provide fire protection to the citizens within the boundaries of the district.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

A. Reporting Entity

GASB Codification Section 2100 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the police jury is determined on the basis of the following criteria:

1. Financial Accountability
2. Appointment of a Voting Majority
3. Imposition of Will
4. Financial Benefit to or Burden on a Primary Government
5. Financial Accountability as a result of Fiscal Dependency

Because the police jury has financial accountability and they appointed a voting majority of the board of commissioners Fire Protection District No. 8 of Acadia Parish, State of Louisiana, was determined to be a component unit of the Acadia Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying component unit financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general governmental services provided by that governmental unit, or the governmental units that comprise the governmental reporting entity.

B. Fund Accounting

The accounts of the fire protection district are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in these component unit financial statements are described as follows:

1. Governmental Fund Type

General Fund

The General Fund is the general accounting fund of the fire protection district. It accounts for all financial resources, except for those required to be accounted for in other funds.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
As of December 31, 1998

2. Account Groups

The account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

General Fixed Assets Account Group

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group rather than in the governmental funds. General fixed assets provided by the parish police jury are not recorded within the general fixed assets account group. Fixed assets are valued at historical cost or estimated cost if historical cost is not available. No depreciation has been provided on fixed assets.

General Long-Term Debt Account Group

This account group is established to account for all long-term obligations to be financed from governmental fund types.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are 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 all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Measurable means that the amount of the transaction can be determined and available means that the amount of the transaction is collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund type revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as a fund liability when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

1. Revenues

Parcel fee taxes are recorded in the year the fees are assessed. Parcel fees are assessed for the calendar year, become due on November 15th of each year, and become delinquent on December 31st. The fees are generally collected in December of the current year and during January and February of the following year. Interest income represents amounts earned on interest bearing checking accounts. Intergovernmental revenue is recorded when received.

2. Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

3. Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid and the proceeds from the sale of certificates of indebtedness are accounted for as other financing sources (uses) and are recognized when the underlying event occurs.

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
As of December 31, 1998

D. Budget Practices

Formal budgetary accounting is employed as a management control for the general fund of the Fire Protection District No. 8 of Acadia Parish, State of Louisiana. An annual operating budget is adopted each year through the passage of an annual budget and amended as required for the general fund and the same basis of accounting is used to reflect actual revenues and expenditures/expenses recognized on a generally accepted accounting principles basis. Furthermore, the Fire Protection District No. 8 of Acadia Parish, State of Louisiana also employs procedures in establishing the budgetary data reflected in these component unit financial statements as follows:

1. The fire protection district prepares the proposed budget following Louisiana Revised Statute 39:1304.
2. A summary of the total proposed budget is published and the public notified that the proposed budget is available for public inspection.
3. After publication the budget is adopted.
4. The board of commissioners of the fire protection district has sole authority to make changes. The budget can be amended as set forth in Louisiana Revised Statute 39:1312 and Act 186 of 1984. All appropriations lapse at year-end.
5. The annual budget for the general fund is prepared in accordance with the basis of accounting utilized by that fund.
6. The Fire Protection District No. 8 of Acadia Parish, State of Louisiana does not use the encumbrance basis of accounting.

Informal budgetary integration was employed as a management control device during the year. Budgeted amounts included in the accompanying component unit financial statements include the amended budget amounts.

E. Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include checking accounts and certificates of deposit (if applicable). Under state law, the fire protection district may deposit funds within a fiscal agent bank organized under the laws of the United States, or under the laws of the State of Louisiana, or any other state in the union. Further, the fire protection district may invest in time deposits or certificates of deposit of state banks organized under Louisiana Law and national banks having principle offices in Louisiana, or in obligations guaranteed by the federal government.

The Fire Protection District No. 8 of Acadia Parish, State of Louisiana had cash and cash equivalents totaling \$ 91 at December 31, 1998. Cash and cash equivalents are stated at cost which approximated market. These deposits must be secured under state law by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times be equal to the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved.

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
As of December 31, 1998

The following is a summary of cash and cash equivalents at December 31, 1998 with the related federal deposit insurance and pledged securities:

	Balance 12/31/97	FDIC/FSLIC Insurance	Balance Uninsured
Operating & Maintenance Account	\$ 41	\$ 100,000	\$ -0-
Bond Sinking Account	\$ 50	\$ 100,000	\$ -0-

F. Receivables

All receivables are reported at their net values, which is the gross receivable less the estimated portion that is expected to be uncollectible.

G. Fixed Assets

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Plant, property, and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the General Fixed Assets Account Group.

H. Investments

Under Louisiana Revised Statute 39:1221, the fire protection district may invest in certain securities. However, the Fire Protection District No. 8 of Acadia Parish, State of Louisiana chooses not to invest in any securities.

I. Fund Equity

Reservations of fund balances of governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures. The General Fund of the Fire Protection District No. 8 of Acadia Parish, State of Louisiana has a fund balance that is unreserved and undesignated. The Debt Service Fund of Fire Protection District No. 8 of Acadia Parish, State of Louisiana has a fund balance that is unreserved but designated for the retirement of long-term debt.

J. Vacation and Sick Leave

The fire protection district has no policies related to vacation and sick leave. The firemen of the district are all volunteer.

K. Total Column on Balance Sheet

The total columns on the balance sheet are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles.

L. Parcel Fee Taxes

The following is a summary of authorized and levied parcel fee taxes:

	Authorized Fee	Levied Fee
Fire Protection District No. 8 of Acadia Parish	\$ 25	\$ 25

FIRE PROTECTION DISTRICT NO. 8 OF ACADIA PARISH
State of Louisiana

NOTES TO THE FINANCIAL STATEMENTS (continued)
As of December 31, 1998

2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Equipment</u>	<u>Furniture & Fixtures</u>	<u>Total</u>
Balance, January 1, 1998	\$ 73,276	\$ -0-	\$ 73,276
Additions	2,000	-0-	2,000
Deductions	-0-	-0-	-0-
Balance, December 31, 1998	\$ 75,276	\$ -0-	\$ 75,276

The fire protection district has obtained two additional pieces of equipment through the Federal Excess Property Program. Although the title remains with the United States Forestry Department the fire protection district has indefinite use of the equipment as long as they maintain the equipment and provide adequate insurance coverage for the equipment. The Louisiana Department of Agriculture & Forestry makes inspections of the equipment at least once every two years to determine that the fire protection district is maintaining the equipment and has proper insurance coverage.

3. LONG-TERM OBLIGATIONS

Long-term obligations of the Fire Protection District No. 8 of Acadia Parish, State of Louisiana are reported in the General Long-Term Debt Account Group. The Fire Protection District No. 8 of Acadia Parish, State of Louisiana issued Certificates of Indebtedness totaling \$ 75,000 in March 1993. Long-term debt payable at December 31, 1998 is \$ 69,000 and is comprised of the following:

Debt outstanding January 1, 1998	\$ 55,000
Additions of new debt	-0-
Retirements and repayments	8,000
Debt outstanding December 31, 1998	\$ 47,000

The annual requirements to amortize all debt outstanding at December 31, 1998, including interest of \$ 8,092 are as follows:

<u>Payment Date</u>	<u>Principal Due</u>	<u>Interest Rate</u>	<u>Interest Due</u>	<u>Total Due</u>	<u>Annual Total</u>
01/Mar/99	8,000	6.500%	1,528	9,528	
01/Sep/99	-0-	6.500%	1,267	1,267	10,795
01/Mar/00	9,000	6.500%	1,267	10,267	
01/Sep/00	-0-	6.500%	975	975	11,242
01/Mar/01	9,000	6.500%	975	9,975	
01/Sep/01	-0-	6.500%	683	683	10,658
01/Mar/02	10,000	6.500%	682	10,682	
01/Sep/02	-0-	6.500%	358	358	11,040
01/Mar/03	11,000	6.500%	357	11,357	11,357
Total	\$ 47,000		\$ 8,092	\$ 55,092	\$ 55,092

NOTES TO THE FINANCIAL STATEMENTS (continued)

As of December 31, 1998

4. PENSION PLAN

The fire protection district has no employees therefore they maintain no pension plan.

5. HEALTH CARE AND LIFE INSURANCE BENEFITS

The fire protection district provides no health care or life insurance benefits for its commissioners or volunteer firemen.

6. OPERATING LEASES

The fire protection district had no operating lease at December 31, 1998.

7. RELATED PARTY TRANSACTIONS

The Fire Protection District No. 8 of Acadia Parish, State of Louisiana had no related party transactions during the year of 1998.

8. LITIGATION

There is no litigation pending against the Fire Protection District No. 8 of Acadia Parish, State of Louisiana at December 31, 1998.

9. SUBSEQUENT EVENTS

There were no subsequent events involving the Fire Protection District No. 8 of Acadia Parish, State of Louisiana that came to our attention as of the report date.