

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana**

**Component Unit Financial Statements
As of June 30, 2004 and for the Year Then Ended**

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.

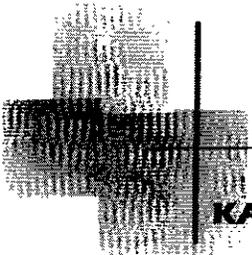
Release Date 2-2-05

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
 RICHLAND PARISH POLICE JURY
 Mangham, Louisiana**

Component Unit Financial Statements
 As of and for the Year Ended June 30, 2004
 With Supplemental Information Schedules

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KAREN M. HOLLIS, CPA

Accountant's Report

BOARD OF COMMISSIONERS
MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana

I have compiled the accompanying component unit financial statements of the Mangham Fire Protection District No. 4, a component unit of the Richland Parish Police Jury, as of June 30, 2004, and for the year ended, and the accompanying supplementary information contained in Schedule I, and II, which are presented only for supplementary analysis purposes, 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 and supplementary schedules information that is the representation of the Board. I have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

Management has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report, dated December 23, 2004, on results of my agreed-upon procedures.



Rayville, Louisiana
December 23, 2004

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PO Box 397
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STATEMENT A

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana**

**Statement of Net Assets
June 30, 2004**

| | <u>GOVERNMENTAL ACTIVITIES</u> |
|---|------------------------------------|
| ASSETS | |
| Cash and cash equivalents | \$44,605 |
| Receivables (net) | 21,590 |
| Capital assets (net) | <u>296,182</u> |
| TOTAL ASSETS | <u><u>\$362,377</u></u> |
| LIABILITIES | |
| Accounts, salaries, and other payables | \$376 |
| Bonds payable | <u>271,674</u> |
| TOTAL LIABILITIES | <u><u>\$272,050</u></u> |
| NET ASSETS | |
| Invested in capital assets, net of related debt | \$24,508 |
| Restricted for: | |
| Debt service | 24,597 |
| Unrestricted | <u>41,222</u> |
| TOTAL NET ASSETS | <u><u>\$90,327</u></u> |

See the accountant's report.
The accompanying notes are an integral part of this statement.

Statement B

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana**

**Statement of Activities
For the Year Ended June 30, 2004**

| | <u>Governmental Activities</u> |
|---------------------------------------|------------------------------------|
| EXPENSES: | |
| Public Safety-fire protection | <u>\$86,560</u> |
| GENERAL REVENUES: | |
| Parcel fees | 82,100 |
| State fire insurance rebate | 5,048 |
| Interest earnings | 417 |
| Total general revenues | <u>87,565</u> |
| CHANGE IN NET ASSETS | 1,005 |
| NET ASSETS, BEGINNING-RESTATED | <u>89,322</u> |
| NET ASSETS, ENDING | <u><u>\$90,327</u></u> |

See the accountant's report.
The accompanying notes are an integral part of this statement.

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana**

**Balance Sheet, Governmental Funds
June 30, 2004**

| | GENERAL FUND |
|--|-------------------------|
| ASSETS | |
| Cash and cash equivalents | \$44,605 |
| Receivables (net) | 21,590 |
| TOTAL ASSETS | \$66,195 |
| LIABILITIES AND FUND BALANCES | |
| Liabilities: | |
| Accounts, salaries, and other payables | \$376 |
| Total Liabilities | 376 |
| Fund balances: | |
| Reserved for: | |
| Debt services | 24,597 |
| Unreserved, reported in: | |
| General Fund | 41,222 |
| TOTAL LIABILITIES AND FUND BALANCES | \$66,195 |

**Reconciliation of the Balance Sheet of the Governmental Funds
To the Statement of Net Assets:**

| | |
|---------------------------------------|----------|
| Fund Balance-total governmental funds | \$65,819 |
|---------------------------------------|----------|

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:

| | | |
|-------------------------------|-----------|---------|
| Governmental capital assets | 666,064 | |
| Less accumulated depreciation | (369,882) | 296,182 |

Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds:

| | | |
|----------------------------|-----------|-----------|
| Governmental bonds payable | (271,674) | (271,674) |
|----------------------------|-----------|-----------|

| | |
|---------------------------------------|-----------------|
| Net assets of governmental activities | \$90,327 |
|---------------------------------------|-----------------|

See the accountant's report.
The accompanying notes are an integral part of this statement.

STATEMENT D

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana**

**Statement of Revenues, Expenditures and
and Changes in Fund Balances
Governmental Funds**

For the Year Ended June 30, 2004

| | GENERAL FUND |
|-----------------------------------|-----------------|
| REVENUES | |
| Parcel fees | \$82,100 |
| Intergovernmental revenues: | |
| Fire insurance rebate | 5,048 |
| Interest earnings | 417 |
| Total Revenues | 87,565 |
| EXPENDITURES | |
| Fuel | 1,798 |
| Insurance | 12,137 |
| Legal and Accounting | 6,714 |
| Repairs and Maintenance | 2,754 |
| Supplies | 2,806 |
| Telephone | 1,311 |
| Utilities | 3,278 |
| Capital Outlay | 42,380 |
| Refunds | 674 |
| Debt services: | |
| Principal | 30,446 |
| Interest | 15,688 |
| Total Expenditures | 119,986 |
| NET CHANGE IN FUND BALANCE | (32,421) |
| FUND BALANCES, BEGINNING | 98,240 |
| FUND BALANCES, ENDING | \$65,819 |

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Fund to the
Statement of Activities:**

| | |
|--|------------|
| Net change in fund balances - total governmental funds | (\$32,421) |
|--|------------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

| | | |
|---------------------------------|----------|-------|
| Expenditures for capital assets | 42,380 | |
| Less current year depreciation | (39,400) | 2,980 |

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments.

| | | |
|------------------------|--------|--------|
| Bond and loan proceeds | 0 | |
| Principal payments | 30,446 | 30,446 |

| | |
|---|---------|
| Change in nets assets of governmental activities. | \$1,005 |
|---|---------|

See the accountant's report.
The accompanying notes are an integral part of this statement.

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2004

INTRODUCTION

Mangham Fire Protection District No. 4 was created by resolution of the Richland Parish Police Jury in July 1992, for the purpose of purchasing and maintaining fire equipment and providing fire protection for the people included in the district according to the boundaries set by Richland Parish Police Jury. Approximately 800 homes and buildings are included in the District. The District is governed by a board of commissioners consisting of five members. The Commissioners are appointed by the Richland Parish Police Jury and receive no compensation for their services. The District has no employees.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Mangham Fire Protection District is considered a component unit of the Richland Parish Police Jury. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the Mangham Fire Protection District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported *separately from business-type activities, which rely to a significant extent on fees and charges for support.*

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from *goods, services, or privileges provided by a given function or segment* and 2) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. All individual governmental funds and individual enterprise funds are reported as *separate columns in the fund financial statements.*

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana
Notes to the Financial Statements (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Mangham Fire Protection District No. 4 reports the following governmental funds:

The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in another fund.

The Mangham Fire Protection District No. 4 has no propriety fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the governments enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana
Notes to the Financial Statements (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the entity's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Deposits and Investments

The entity's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Mangham Fire Protection District's investment policy allow the entity to invest in collateralized certificates of deposits, government back securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Investments for the Mangham Fire Protection District No. 4 are reported at fair value. The state investment pool (LAMP) operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

D. Receivables and Payables

Parcel Fees are levied on a calendar year basis and become delinquent on January 1 of each year. The following is a summary of authorized and levied Parcel Fee:

| | <u>Authorized</u> | <u>Levied</u> | <u>Expiration Date</u> |
|-------------|-------------------|------------------|------------------------|
| Parcel Fees | \$100 per Parcel | \$100 per Parcel | 2017 |

Delinquent parcel fees are considered fully collectible and therefore no allowance for uncollectible fees is provided.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Mangham Fire Protection District maintains a threshold level of \$1,000 or more for capitalizing capital assets.

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana
Notes to the Financial Statements (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Station additions were constructed and completed during the fiscal year.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Estimated Useful Lives</u> |
|-------------------------------------|-----------------------------------|
| Buildings and building improvements | 40 years |
| Vehicles | 5-15 years |
| Equipment | 10 years |
| Land Improvements | 20 years |

F. Compensated Absences

The Mangham Fire protection District No. 4 is all volunteer and therefore has no policy for compensated absences.

G. Long-Term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

H. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

I. Estimates

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana
Notes to the Financial Statements (Continued)

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET INFORMATION. Mangham Fire Protection District No. 4 uses the following budget practices:

Preliminary budgets for the ensuing year are prepared by the secretary-treasurer during April of each year. During June, the Board reviews the proposed budget and makes changes as it deems appropriate. The budget is printed in the official paper of the parish in June. The budget is then adopted during the June meeting. All annual appropriations lapse at yearend. Encumbrance accounting is not used by the District. Budgeted amounts included in the accompanying financial statements include the original adopted budget. There were no amendments during the year ended June 30, 2004.

3. CASH AND CASH EQUIVALENTS

At June 30, 2004, the Mangham Fire Protection District No. 4 has cash and cash equivalents (book balances) totaling \$44,605 as follows:

| | |
|----------------------------------|------------------------|
| Demand deposits | \$20,008 |
| Interest-bearing demand deposits | 1,004 |
| Time deposits | <u>23,593</u> |
| Total | <u><u>\$44,605</u></u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2004, the Mangham Fire Protection District has \$44,605 in deposits (collected bank balances). These deposits are secured from risk by \$200,000 of federal deposit insurance.

4. RECEIVABLES

The receivables of \$ 21,590 at June 30, 2004, are as follows:

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana
Notes to the Financial Statements (Continued)

| <u>Class of Receivable</u> | <u>General Fund</u> |
|----------------------------|-------------------------|
| Parcel Fees | <u>\$21,590</u> |
| Total | <u>\$21,590</u> |

Parcel Fees are generally shown net of an allowance for uncollectible amounts. These statements contain no provision for uncollectible amounts. The district is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole and consider the fees to be fully collectible.

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2004 for the District is as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|---|------------------------------|------------------|------------------|---------------------------|
| Governmental activities: | | | | |
| Capital assets, not being depreciated | | | | |
| Land | <u>\$7,181</u> | | | <u>\$7,181</u> |
| Total capital assets, not being depreciated | <u>\$7,181</u> | <u>0</u> | <u>0</u> | <u>\$7,181</u> |
| Capital assets being depreciated | | | | |
| Buildings & Building Improvements | <u>\$148,088</u> | <u>\$42,380</u> | | <u>\$190,468</u> |
| Trucks & Equipment | <u>423,415</u> | | | <u>423,415</u> |
| Donated Equipment | <u>45,000</u> | | | <u>45,000</u> |
| Total capital assets being depreciated | <u>616,503</u> | <u>42,380</u> | <u>0</u> | <u>658,883</u> |
| Less accumulated depreciation for: | | | | |
| Buildings & Building Improvements | <u>32,144</u> | <u>4,762</u> | | <u>36,906</u> |
| Trucks & Equipment | <u>257,838</u> | <u>30,138</u> | | <u>287,976</u> |
| Donated Equipment | <u>40,500</u> | <u>4,500</u> | | <u>45,000</u> |
| Total accumulated depreciation | <u>100,031</u> | <u>39,400</u> | <u>0</u> | <u>369,882</u> |
| Total capital assets being depreciated, net | <u>\$523,653</u> | <u>\$2,980</u> | <u>\$0</u> | <u>\$296,182</u> |

Depreciation expense of \$39,400 for the year ended June 30, 2004 was charged to public safety-fire protection governmental functions.

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana
Notes to the Financial Statements (Continued)

6. ACCOUNTS, SALARIES, AND OTHER PAYABLES

The payables of \$376 at June 30, 2004, are as follows:

| | <u>General Fund</u> |
|----------|-------------------------|
| Accounts | <u>\$376</u> |
| Total | <u><u>\$376</u></u> |

7. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2004:

| | <u>Rural Development</u> |
|--|------------------------------|
| Long-term obligations at Beginning of Year | \$302,120 |
| Additions | 0 |
| Deductions | <u>30,446</u> |
| Long-term obligations at End of Year | <u><u>\$271,674</u></u> |

The following is a summary of the current (due in one year or less), and the long-term (due in more than one year) portions of long-term obligations as of June 30, 2004:

| | <u>Rural Development</u> |
|-------------------|------------------------------|
| Current portion | \$31,823 |
| Long-term portion | <u>239,851</u> |
| Total | <u><u>\$271,674</u></u> |

All debt outstanding at June 30, 2004, for \$271,674, is general obligation bonds (or other as indicated) with maturities to 2020 and interest rates at 5.25%. Bond principal and interest payable in 2004 was paid at June 30, 2004. The individual issues are as follows:

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana
Notes to the Financial Statements (Continued)

| <u>Bond</u> | <u>Original Issue</u> | <u>Interest Rate</u> | <u>Final Payment Due</u> | <u>Interest to Maturity</u> | <u>Principal Outstanding</u> | <u>Funding Source</u> |
|-------------|-----------------------|----------------------|--------------------------|-----------------------------|------------------------------|-----------------------|
| Bond R-1 | 1/30/1995 | 5.25% | 1/30/2017 | \$35,341 | \$184,004 | USDA- RD |
| Bond R2 | 1/30/1995 | 5.25% | 1/30/2010 | 35,679 | 87,670 | USDA- RD |
| Total | | | | <u>\$71,020</u> | <u>\$271,674</u> | |

All principal and interest requirements are funded in accordance with Louisiana law by the annual parcel fee on taxable property within the District's boundaries.

| <u>Year Ending June 30, 2004</u> | <u>Principal Payments</u> | <u>Interest Payments</u> | <u>Total</u> |
|----------------------------------|---------------------------|--------------------------|------------------|
| 2005 | \$31,823 | \$14,300 | \$46,123 |
| 2006 | 33,493 | 12,630 | 46,123 |
| 2007 | 35,252 | 10,871 | 46,123 |
| 2008 | 37,103 | 9,020 | 46,123 |
| 2009 | 39,050 | 7,073 | 46,123 |
| 2010-2017 | 94,953 | 17,126 | 112,079 |
| Total | <u>\$271,674</u> | <u>\$71,020</u> | <u>\$342,694</u> |

8. RESERVED AND DESIGNATED RETAINED EARNINGS/FUND BALANCES

The Mangham Fire Protection District No. 4 has \$24,597 restricted for payment of Rural Development note as per the loan agreement.

9. LITIGATIONS AND CLAIMS

The District is not aware of any lawsuits or possible threats of any lawsuits at June 30, 2004.

MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Budget and Actual
General Fund (and All Major Governmental Funds)
For the Year Ended June 30, 2004

Required Supplemental Information

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> <u>Budgetary Basis</u> | Variance with |
|--|-------------------------|----------------|---|----------------------------|
| | <u>Original</u> | <u>Final</u> | | final budget GAAP Basis |
| REVENUES | | | | |
| Parcel fees | \$76,000 | \$76,000 | \$82,100 | \$6,100 |
| Intergovernmental revenues; | | | | |
| Fire insurance rebates | 4,000 | 4,000 | 5,048 | 1,048 |
| Grants | 60,000 | 60,000 | 0 | (60,000) |
| Interest earnings | 1,000 | 1,000 | 417 | (583) |
| Total Revenues | 141,000 | 141,000 | 87,565 | (53,435) |
| EXPENDITURES | | | | |
| Fuel | 1,000 | 1,000 | 1,798 | (798) |
| Insurance | 10,000 | 10,000 | 12,137 | (2,137) |
| Legal and Accounting | 2,700 | 2,700 | 6,714 | (4,014) |
| Repairs and Maintenance | 26,000 | 26,000 | 2,754 | 23,246 |
| Rent | 1 | 1 | 0 | 1 |
| Supplies | 4,600 | 4,600 | 2,806 | 1,794 |
| Telephone | 1,700 | 1,700 | 1,311 | 389 |
| Utilities | 1,700 | 1,700 | 3,278 | (1,578) |
| Capital Outlay | 42,500 | 42,500 | 42,380 | 120 |
| Refunds | 0 | 0 | 674 | (674) |
| Debt service: | | | | |
| Principal | 25,400 | 25,400 | 30,446 | (5,046) |
| Interest | 25,400 | 25,400 | 15,688 | 9,712 |
| Total Expenditures | 141,001 | 141,001 | 119,986 | 21,015 |
| NET CHANGE IN FUND BALANCE | (1) | (1) | (32,421) | (32,420) |
| FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR | 98,240 | 98,240 | 98,240 | 0 |
| FUND BALANCE (DEFICIT) AT END OF YEAR | 98,239 | 98,239 | 65,819 | (32,420) |

See the accountant's report.
The accompanying notes are an integral part of this statement.

Schedule 2

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
RICHLAND PARISH POLICE JURY
Mangham, Louisiana**

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2004**

| Board Member | Amount |
|-----------------------------------|---------------|
| John Landers, Chairman | None |
| Royce Lowery | None |
| Samuel Duchesne | None |
| Fred Douciere | None |
| Gary Piro-Resigned in March, 2004 | None |
| Total | <u>None</u> |

See the accountant's report.
The accompanying notes are an integral part of this statement.

**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

To the Board of Commissioners
Mangham Fire Protection District No. 4

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Mangham Fire Protection District No. 4 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Mangham Fire Protection District's compliance with certain laws and regulations during the year ended June 30, 2004 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 *Government Auditing Standards*. 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).

One expenditure was made during the year for materials and supplies exceeding \$15,000 and no expenditures were made for public works exceeding \$100,000. I examined documentation which indicated that all of these expenditures had been properly advertised and accepted in accordance with the provisions of 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 me with the required list including the noted information.

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

Management provided me with the required list.

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.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

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

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

6. Trace the budget adoption and amendments to the minute book.

I traced the adoption of the original budget to the minutes of a meeting held on June 23, 2003, which indicated that the budget had been adopted by the commissioners of Mangham Fire District No. 4 by a vote of 3 in favor and zero opposed. No amendments were made to the budget during the year.

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 exceed budgeted amounts by 5% or more.

I compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues failed to meet budgeted by more than 38% and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for each of the six selected disbursements and found that payment 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

Six of the 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 approvals from the secretary and treasurer of the Board of Commissioners.

Meetings

9. 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 meetings law).

Mangham Fire Protection District No. 4 is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Although management has asserted that such documents were properly posted, I could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Debt

10. 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 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 have been made to employees which may constitute bonuses, advance, or gifts.

A reading of the minutes of the district for the year indicated no approval for the payments noted.

My prior year report, dated December 15, 2003 included no findings that need to be corrected.

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 Mangham Fire Protection District No. 4 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.



December 24, 2004
Rayville, Louisiana

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
 RICHLAND PARISH POLICE JURY
 Mangham, Louisiana**

**Summary Schedule of Prior Audit Findings
 For the Year Ended June 30, 2004**

| <u>Ref. No.</u> | <u>Fiscal Year Finding Initially Occurred</u> | <u>Description of Finding</u> | <u>Corrective Action Taken (Yes, No, Partially)</u> | <u>Planned Corrective Action/Partial Corrective Action Taken</u> |
|---|---|-------------------------------|---|--|
| Section I - Internal Control and Compliance Material to the Financial Statements: | | | | |
| _____ | _____ | _____ | _____ | _____ |
| | | _____ | | _____ |
| | | _____ | | _____ |
| Section II - Internal Control and Compliance Material to Federal Awards:⁴ | | | | |
| _____ | _____ | _____ | _____ | _____ |
| | | _____ | | _____ |
| | | _____ | | _____ |
| Section III - Management Letter: | | | | |
| _____ | _____ | _____ | _____ | _____ |
| | | _____ | | _____ |

There are no prior year findings.

**MANGHAM FIRE PROTECTION DISTRICT NO. 4
 RICHLAND PARISH POLICE JURY
 Mangham, Louisiana**

**Corrective Action Plan for Current Year Audit Findings
 For the Year Ended June 30, 2004**

| <u>Ref. No.</u> | <u>Description of Finding</u> | <u>Corrective Action Planned</u> | <u>Name(s) of Contact Person(s)</u> | <u>Anticipated Completion Date</u> |
|--|---|----------------------------------|-------------------------------------|------------------------------------|
| Section I - Internal Control and Compliance Material to the Financial Statements: | | | | |
| <u>04-01</u> | <u>Revenues failed to meet budgeted by more than 5%</u> | <u>Amend budget as needed</u> | <u>Gary Gilley</u> | <u>06/30/05</u> |
| | | | | |
| Section II - Internal Control and Compliance Material to Federal Awards: | | | | |
| | | | | |
| | | | | |
| Section III - Management Letter: | | | | |
| | | | | |
| | | | | |

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

_____ (Date Transmitted)

Karen M Hollis CPA
PO Box 397
Rayville LA 71269

(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).

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.

_____ Secretary _____ Date

_____ Treasurer _____ Date

Stan Price _____ President _____ Date