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FIRE PROTECTION DISTRICT
NO. 1 OF THE PARISH OF ST. MARY
Franklin, Louisiana

Financial Statements

December 31, 2001

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 7-17-02

CONTENTS

	Exhibit	Page
Independent Accountants' Report on the Financial Statements		1
General Purpose Financial Statements		
Balance Sheet - All Fund Types and Account Groups	A	2
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund Type - General Fund	B	3
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General Fund	C	4
Notes to the Financial Statements		5-12
Supplementary Information		
Schedule of Expenditures Compared to Budget (GAAP Basis)		14
Supplemental Information Schedule - Compensation Paid Board Members		15
Schedule of Compensation Paid Board Members		16
Attestation Reports		
Independent Accountants' Report on Applying Agreed-Upon Procedures		18-22
Louisiana Attestation Questionnaire		23-24



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Inzerella, Feldman, Brady, Broussard and Pourciau

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Gregory J. Inzerella, CPA
Barbara M. Feldman, MBA, CPA
Eric J. Broussard, CPA
J. David Brady, CPA
Julie W. Pourciau, CPA

Tina B. Viator, CPA

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To the Commissioners of Fire Protection District
No. 1 of the Parish of St. Mary
Franklin, Louisiana

We have compiled the accompanying general purpose financial statements of the Fire Protection District No. 1 of the Parish of St. Mary, a component unit of the Parish of St. Mary, Franklin, Louisiana, as of and for the year ended December 31, 2001 as listed in the table of contents, and the accompanying supplementary information which is 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 management of the Fire Protection District No. 1 of the Parish of St. Mary. We 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.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 12, 2002, on the results of our agreed-upon procedures.

INZERELLA, FELDMAN, BRADY,
BROUSSARD AND POURCIAU
CERTIFIED PUBLIC ACCOUNTANTS

June 12, 2002

Fire Protection District No. 1 of the
Parish of St. Mary
Franklin, Louisiana
All Fund Types and Account Groups
Balance Sheet
December 31, 2001

	GOVERNMENTAL FUND General Fund	ACCOUNT GROUPS General Fixed Assets	TOTAL (MEMORANDUM ONLY)
ASSETS			
Cash and cash equivalents	\$ 875,482	\$	\$ 875,482
Investments	273,155		273,155
Receivables	69,208		69,208
Land, buildings, and equipment		429,556	429,556
TOTAL ASSETS	\$ 1,217,845	\$ 429,556	\$ 1,647,401
LIABILITIES, EQUITY, AND OTHER CREDITS			
TOTAL LIABILITIES	\$ 0	\$ 0	\$ 0
EQUITY AND OTHER CREDITS			
Investment in general fixed assets		429,556	429,556
FUND BALANCES			
Unreserved			
Designated for -			
Acquisition of building	1,200,000		1,200,000
Undesignated	17,845		17,845
TOTAL EQUITY AND OTHER CREDITS	1,217,845	429,556	1,647,401
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 1,217,845	\$ 429,556	\$ 1,647,401

See Accountants' Compilation Report
The accompanying notes are an integral
part of these financial statements.



Fire Protection District No. 1 of the
Parish of St. Mary
Franklin, Louisiana
Governmental Fund - General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended December 31, 2001

	General Fund
REVENUES	
Ad valorem taxes	\$ 74,089
Intergovernmental revenues	
Other grants	15,773
Interest earnings	46,455
Miscellaneous revenues	188
TOTAL REVENUES	136,505
EXPENDITURES	
Current	
General government	25,826
Public safety	17,173
Capital outlay	16,050
TOTAL EXPENDITURES	59,049
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	77,456
OTHER FINANCING SOURCES (USES)	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	77,456
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR	1,140,389
FUND BALANCES (DEFICIT) AT END OF YEAR	\$1,217,845

See Accountants' Compilation Report
The accompanying notes are an integral
part of these financial statements.



Fire Protection District No. 1 of the
Parish of St. Mary
Franklin, Louisiana
Governmental Fund - General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2001

	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES			
Ad valorem taxes	\$ 75,500	\$ 74,089	\$ (1,411)
Intergovernmental revenues	15,700	15,773	73
Interest earnings	47,000	46,455	(545)
Miscellaneous revenues	0	188	188
TOTAL REVENUES	138,200	136,505	(1,695)
EXPENDITURES			
Current			
General government	28,800	25,826	2,974
Public safety	13,500	17,173	(3,673)
Capital outlay	29,000	16,050	12,950
TOTAL EXPENDITURES	71,300	59,049	12,251
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	66,900	77,456	10,556
OTHER FINANCING SOURCES (USES)	0	0	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	66,900	77,456	10,556
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR	1,126,500	1,140,389	13,889
FUND BALANCES (DEFICIT) AT END OF YEAR	\$1,193,400	\$ 1,217,845	\$ 24,445

See Accountants' Compilation Report
The accompanying notes are an integral
part of these financial statements.



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

The Fire Protection District No. 1 of the Parish of St. Mary was created under the provisions of Part 1, Chapter 7, Title 40 of the Louisiana Revised Statutes of 1950, and other constitutional and statutory authority supplemental thereto.

The purpose of the Fire Protection District No. 1 of the Parish of St. Mary, is to acquire, construct, improve, maintain and operate fire protection facilities and equipment, including the cost of obtaining water for fire protection purposes, and all purposes incidental thereto.

There have been five Commissioners appointed by the St. Mary Parish Council.

The Fire Protection District No. 1 of the Parish of St. Mary shall comprise all of the territory within Ward 2 of the Parish of St. Mary, State of Louisiana, lying to the south and southwest of the centerline of the Gulf Intracoastal Waterway.

There are no employees as of December 31, 2001.

The following is a summary of certain significant accounting policies.

A. Basis of Presentation

The accompanying general purpose financial statements of the Fire Protection District No. 1 of the Parish of St. Mary 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 St. Mary Parish Council is the financial reporting entity for St. Mary Parish. The financial reporting entity consists of (a) the primary government (parish council), (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.



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements (Continued)

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. Mary Parish Council 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 parish council to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish council.
2. Organizations for which the parish council does not appoint a voting majority but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish council appointed a governing board, and this board has to account for fiscal matters, the district was determined to be a component unit of the St. Mary Parish Council, 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 parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental 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.



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements (Continued)

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 recorded 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 of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Currently, 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 by using a current financial resources measurement focus. With this measurement focus, only current assets and current 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. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year of assessment. Interest income on investments and on ad valorem taxes are recorded when earned. Grants and other revenue are recorded when received.

Expenditures

Expenditures are recorded when the related fund liability is incurred.



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements (Continued)

E. Budgets

The District uses the following budget practices:

Annually, the Board of Commissioners adopts a budget for the General Fund. The budget practices include public notice of the proposed budget and a public hearing on the budget. All budgeting appropriations lapse at the end of each year. Total expenditures may not legally exceed appropriations by more than 5%. To amend the budget, the board shall adopt a budget amendment in an open meeting to reflect such change. The General Fund budget is prepared on the modified accrual basis of accounting and includes original adopted budget amounts and all subsequent amendments. The Board does not use a system of encumbrances.

F. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. The Fire Protection District No. 1 of the Parish of St. Mary considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Investments

Under state law, the district may invest in United States bonds, treasury notes and bills, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. 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 fair value.

H. Ad Valorem Taxes Receivable

Receivables are written off directly to bad debt expense when they are determined to be uncollectible. Bad debt expense under the allowance method would not be materially different.



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements (Continued)

I. 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. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Prior to January 1, 1990, the St. Mary Parish Council was governing authority of the District, and did not maintain general fixed asset records. As such, general fixed asset records have been compiled by the Board of Commissioners using estimated acquisition costs.

J. Fund Equity

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

K. Total Memorandum Column on Balance Sheet

The total column on the combined balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

Note 2 - Cash and Cash Equivalents

At December 31, 2001, the District has cash and cash equivalents (book balances) totaling \$875,482 as follows:

Hibernia Bank	\$ 874,982
Petty Cash	_____500
	<u>\$ 875,482</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits 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 (GASB Category 3).



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements (Continued)

At December 31, 2001, the district had the following bank balance at each of the financial institutions:

	Hibernia
	<u>Bank</u>
Bank balance	\$ 875,872
FDIC coverage	(100,000)
Pledged coverage	<u>(794,431)</u>
	\$ (18,559)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

Note 3 - Investments

Investments held at December 31, 2001 consist of \$273,155 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at December 31, 2001 is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements (Continued)

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investments in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Note 4.- Levied Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied by the District in October and were billed to the taxpayers in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Tax Assessor of St. Mary Parish and are collected by the Sheriff.

For the year ended December 31, 2001, taxes were levied on property with assessed valuations totaling \$7,572,092 and were dedicated as follows:

Fire Protection District No. 1	
of the Parish of St. Mary	10.01 mills

Total taxes levied were \$74,089.



Fire Protection District No. 1 of the Parish of St. Mary
Franklin, Louisiana
Notes to the Financial Statements (Continued)

Note 5 - Receivables

The following is a summary of receivables at December 31, 2001:

Class of receivables	General Fund
Ad valorem taxes	\$ 69,208

Note 6 - Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
Buildings	\$ 45,646	\$ 1,552	\$ 0	\$ 47,198
Equipment and furniture	290,189	14,498	2,000	302,687
Land and Improvements	79,671	0	0	79,671
Total	\$ 415,506	\$ 16,050	\$ 2,000	\$ 429,556



Supplementary Information



Inzerella, Feldman, Brady, Broussard and Pourciau
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Fire Protection District No. 1 of the
Parish of St. Mary
Franklin, Louisiana
Governmental Fund - General Fund
Schedule of Expenditures
Compared to Budget (GAAP Basis)
For the Year Ended December 31, 2001

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE - FAVORABLE (UNFAVORABLE)
EXPENDITURES			
Current			
General government			
Bank Charges	\$ 100	\$ 0	\$ 100
Dues	100	92	8
Electric	900	770	130
Insurance	7,000	6,371	629
Miscellaneous	1,000	811	189
Office Expense	1,000	1,062	(62)
Official Journal	1,000	1,009	(9)
Assessor's Pension	2,700	2,271	429
Telephone	1,200	1,293	(93)
Professional Fees	3,000	1,557	1,443
Outside Services	9,000	9,000	0
Directors' Fees	<u>1,800</u>	<u>1,590</u>	<u>210</u>
Total general government	<u>28,800</u>	<u>25,826</u>	<u>2,974</u>
Public safety			
Communication	1,000	3,945	(2,945)
Grounds and Buildings			
Maintenance	3,500	6,879	(3,379)
Prevention Services	1,000	3,788	(2,788)
Public Safety Equipment	2,500	538	1,962
Training	1,000	82	918
Trucks and Pumps Maintenance	2,000	1,941	59
Water Supply	1,500	0	1,500
Health and Safety	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total public safety	<u>13,500</u>	<u>17,173</u>	<u>(3,673)</u>
Capital outlay	<u>29,000</u>	<u>16,050</u>	<u>12,950</u>
TOTAL EXPENDITURES	\$ <u>71,300</u>	\$ <u>59,049</u>	\$ <u>12,251</u>

See Accountants' Compilation Report

Page 14



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Fire Protection District No. 1 of the
Parish of St. Mary
Franklin, Louisiana
Supplemental Information Schedule
For the Year Ended December 31, 2001

Compensation Paid Board Members

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 session of the Louisiana Legislature. Members of the governing boards of fire protection districts may be paid a per diem of thirty dollars for attending meetings of the board, not to exceed two meetings in any one calendar month, as provided by Section 1948 of Title 40 of the Louisiana Revised Statute of 1950, as amended.

Section 1948 of Title 40 of the Louisiana Revised Statute of 1950, as amended, also provides that if a member is elected secretary or treasurer or secretary-treasurer of the board, he may be compensated additionally for such office.

See Accountants' Compilation Report

Page 15



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Fire Protection District No. 1 of the
Parish of St. Mary
Franklin, Louisiana
Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2001

COMPENSATION PAID TO BOARD MEMBERS

Robert Auerbach	\$ 360
Richard Legnon	330
Nicky Begnaud	330
Hazel Anderson	270
Therisa Trosclair	<u>300</u>
	\$1,590

COMPENSATION PAID TO SECRETARY

Robert Auerbach	\$6,000
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COMPENSATION PAID TO TREASURER

Richard Legnon	\$3,000
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See Accountants' Compilation Report



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Attestation Reports



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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Commissioners of Fire Protection
District No. 1 of the Parish of St. Mary

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Fire Protection District No. 1 of the Parish of St. Mary and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Fire Protection District No. 1 of the Parish of St. Mary's compliance with certain laws and regulations during the year ended December 31, 2001 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

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

There were no expenditures during the year for materials and supplies exceeding \$15,000 or public works exceeding \$100,000.

To the Commissioners of Fire Protection
District No. 1 of the Parish of St. Mary

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.

Management provided us with the required list. There were no employees.

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.

As noted in agreed-upon procedure (3), there were no employees.

Budgeting

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

Management provided us with a copy of the original budget and the amendments.

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

We traced the adoption of the original budget to the minutes of a meeting held on December 27, 2000 which indicated that the budget had been adopted by the commissioners of Fire Protection District No. 1 of the Parish of St. Mary by a unanimous vote. We traced the adoption of the amended budget to the minutes of a meeting held on December 26, 2001 which indicated that the amended budget had been adopted by the commissioners of Fire Protection District No. 1 of the Parish of St. Mary by a unanimous vote.



To the Commissioners of Fire Protection
District No. 1 of the Parish of St. Mary

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.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues 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;

We 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:

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

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

Each of the disbursements were traced to the district's minute book where they were approved by the full commission.

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).



To the Commissioners of Fire Protection
District No. 1 of the Parish of St. Mary

Fire Protection District No. 1 of the Parish of St. Mary 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, we 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 banks loans, bonds, or like indebtedness.

We 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. As noted in agreed-upon procedure (3), there were no payroll records which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Our prior year report, dated June 25, 2001, did not include any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



To the Commissioners of Fire Protection
District No. 1 of the Parish of St. Mary

This report is intended solely for the use of management of Fire Protection District No. 1 of the Parish of St. Mary 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.



INZERELLA, FELDMAN, BRADY,
BROUSSARD AND POURCIAU
CERTIFIED PUBLIC ACCOUNTANTS

June 12, 2002



LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

June 12, 2002 (Date Transmitted)

Inzerella, Feldman, Brady, Broussard and Pourciau

Certified Public Accountants

P. O. Box 9408

New Iberia, LA 70562-9408

(Auditors)

In connection with your compilation of our financial statements as of 12/31/01 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 1/28/02 (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 []

Page 23



Inzerella, Feldman, Brady, Broussard and Pourciau

A Professional Corporation

Certified Public Accountants • Business Consultants

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.

<u>R.W. Huerbach</u>	Secretary	<u>1/28/02</u>	Date
<u>Richard Legros</u>	Treasurer	<u>1-28-02</u>	Date
<u>R.W. Huerbach</u>	President	<u>1/28/02</u>	Date

