

**WARD 2 FIRE PROTECTION DISTRICT No. 1
OF SHOREHOUSE PARISH**
Buckner, Louisiana
Notes to the Financial Statements (Continued)

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Shorehouse Parish Police Jury.
2. Organizations for which the police jury does not appoint a voting majority but are financially dependent on the police jury.
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 police jury appoints a majority of the governing board and omission of data relative to Ward 2 Fire Protection District No. 1 of Shorehouse Parish could cause the financial statements of the Shorehouse Parish Police Jury, reporting entity to be misleading, the district has been determined to be a component unit of the primary government.

C. FUND ACCOUNTING

The district uses a fund (General Fund) to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The General Fund of the district is classified as a governmental fund. The General Fund accounts 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 and all operating expenditures.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for 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 the General

**WARD 2 FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH
MOREHOUSE PARISH POLICE JURY
Bogalusa, Louisiana**

Notes to the Component Unit Financial Statements
As of and for the Year Ended December 31, 1996

INTRODUCTION

The Morehouse Parish Police Jury is the governing authority for Morehouse Parish and is a recognized subdivision of the State of Louisiana. Ward 2 Fire Protection District No. 1 of Morehouse Parish is a public agency and a component unit of the Morehouse Parish Police Jury that was established in October 1984. The primary function of the district is to provide fire protection services for residents of the district. The district is governed by a board of commissioners appointed by the Morehouse Parish Police Jury. Members serve five (5) year terms and receive no compensation for their services. The district has no employees. All fire prevention and protection services are provided by volunteers.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of Ward 2 Fire Protection District No. 1 of Morehouse Parish 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.

II. REPORTING ENTITY

As the governing authority of Morehouse Parish, for reporting purposes, the Morehouse Parish Police Jury is the financial reporting entity. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Government Accounting Standards Board Statement No. 14 established criteria for determining which component unit(s) should be considered part of the Morehouse Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

**WARD 3 FIRE PROTECTION DISTRICT No. 1
OF MOKEGHOUSE PARISH
Berkman, Louisiana
Notes to the Financial Statements (Continued)**

Fund present increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

All valuation taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected during December of the current year and January and February of the ensuing year.

Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

F. BUDGETS

A budget for the ensuing year is prepared by the district chairman and approved by the board of directors prior to December 31 of each year during the board's regular December meeting. Proposed budgets are prepared on the modified basis of accounting. They are legally adopted and amended, when necessary, by the board of commissioners. The board reserves all authority to make changes to budgets. Unexpended appropriations lapse at year end and must be appropriated in the next year's budget to be expended. Neither encumbrance accounting nor formal budget integration (within the accounting records) are employed as management control devices. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposit accounts and cash equivalents include amounts in time deposits. The time deposits are stated at cost. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market

**WARD 3 FIRE PROTECTION DISTRICT NO. 1
OF MOREHOUSE PARISH
Bossier, Louisiana
GOVERNMENTAL FUND - GENERAL FUND**

**Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget (GRAP) Basis and Actual
For the Year Ended December 31, 1998**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Ad valorem taxes	\$47,000	\$47,892	\$892
State grant		2,850	2,850
Interest earnings	750	7,858	7,108
Other		138	
Total revenues	47,750	58,738	10,988
EXPENDITURES			
Public Safety - fire protection			
Administration	4,378	4,468	(\$90)
Insurance	6,308	6,335	(\$27)
Office supplies and expense	3,308	3,705	(\$38)
Repairs and maintenance of equipment	15,000	16,813	(\$1,813)
Utilities	3,308	2,271	\$1,037
Upkeep of building and grounds	3,308	2,850	\$458
Training	458	39	\$419
Capital outlay	14,808	11,750	\$3,058
Other	848	1,418	(\$570)
Total expenditures	48,828	48,204	\$624
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,922	10,534	8,612
FUND BALANCE AT BEGINNING OF YEAR	208,471	208,471	
FUND BALANCE AT END OF YEAR	\$210,393	\$219,005	\$8,612

See accountant's compilation report.

" - NOT AUDITED - "

**WARD 2 FIRE PROTECTION DISTRICT No. 1
OF MOREHOUSE PARISH
Buckman, Louisiana
Notes to the Financial Statements (Continued)**

accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domains or infrastructures are not capitalized. Interest costs incurred during construction is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, except for land which is valued at the fair market value on the date of donation. At December 31, 1996, 99.5 per cent or \$192,834, of fixed assets are valued at actual cost and .50 per cent, or \$218, are valued at estimated fair market value on date of donation.

I. COMPENSATED ABSENCES

The district does not have any full-time employees; therefore, it does not have a formal vacation or sick leave policy and does not contribute to the social security system or a pension plan.

J. LONG-TERM DEBT

The district has no long-term debt at December 31, 1996.

K. TOTAL COLUMNS ON STATEMENTS

The total column on the 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 positions in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation.

2. LEVIED TAXES

The district is authorized to levy a maximum of 6.8 mills on property within the district. The district levied 5.12 mills for 1994. The tax, originally approved by the district's voters for a period of ten years in May 1984, was renewed October 1, 1994. The new 5.12 millage has an expiration date of December 31, 2004.

**WARD 2 FIRE PROTECTION DISTRICT No. 1
OF MOREHOUSE PARISH**

Bossieres, Louisiana

Notes to the Financial Statements (Continued)

3. CASH AND CASH EQUIVALENTS

At December 31, 1996, the district has cash and cash equivalents (bank balances) totaling \$166,699 as follows:

Demand deposits	\$ 237
Time deposits	<u>166,462</u>
Total Cash and Equivalents	<u>\$166,699</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. At December 31, 1996, the district has \$166,579 in deposits (collected bank balances) which are secured from risk by \$208,808 of federal deposit insurance and a pledge of securities in the amount of \$42,231 (GASH Category 3).

4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets (land, building, and equipment) for the year ended December 31, 1996, follows:

	<u>Land</u>	<u>Building</u>	<u>Equipment</u>	<u>Total</u>
Balance at January 1, 1996	\$ 218	\$41,384	\$179,740	\$181,342
Additions:				
1996	<u>2,408</u>	<u> </u>	<u>5,289</u>	<u>11,706</u>
Balance at December 31, 1996	<u>\$2,218</u>	<u>\$41,384</u>	<u>\$185,029</u>	<u>\$192,831</u>

5. LITIGATION AND CLAIMS

There is no litigation pending against Ward 2 Fire Protection District No. 1 of Morehouse Parish at December 31, 1996.

6. OTHER SUPPORT

There are no statutorily required expenditures required by the Morehouse Parish Police Jury

STATEMENT A

WARD 3 FIRE PROTECTION DISTRICT NO. 1
 OF MOBILEHOUSE PARISH
 Bayou La Batre, Louisiana
 ALL FUND TYPES AND ACCOUNT GROUP

Balance Sheet, December 31, 1998

	GOVERNMENTAL FUND - GENERAL FUND	ACCOUNT GROUP - GENERAL FUND ASSETS	TOTAL (MOBILEHOUSE) DRL 7
ASSETS			
Cash and cash equivalents (note 2)	\$164,498		\$164,498
Receivables - All revenues taxes	60,000		60,000
Land, building, and equipment (note 4)		\$180,000	180,000
TOTAL ASSETS	\$224,500	\$180,000	\$404,500
LIABILITIES AND FUND EQUITY			
Liabilities - Accounts payable	\$1,875		\$1,875
Fund Equity:			
Investment in general fund assets		\$180,000	180,000
Fund balance - Unreserved-undesignated	222,625		222,625
Total Fund Equity	222,625	180,000	402,625
TOTAL LIABILITIES AND FUND EQUITY	\$223,750	\$180,000	\$403,750

See accountant's compilation report.

"- - - NOT AUDITED - - -"

WARD 2 FIRE PROTECTION DISTRICT NO. 1 OF MOREHOUSE PARISH
MOREHOUSE PARISH POLICE JURY
Breauxton, Louisiana

ANNUAL COMPONENT UNIT FINANCIAL STATEMENTS
As Of and For The Year Ended December 31, 1996

Required by Louisiana Revised Statute 26:514 to
be filed with the Office of the Legislative Auditor
within 90 days after the close of the fiscal year.

AFFIDAVIT

Personally came and appeared before the undersigned authority, Mr. Hardy Cantor, Board
Chairman, who, duly sworn, deposes and says that the component unit financial statements
herewith given present fairly the financial position of Ward 2 Fire Protection District No. 1 of
Morehouse Parish as of December 31, 1996, and the results of operations for the year then
ended, in accordance with generally accepted accounting principles.



Signature

Sworn to and subscribed before me, this 5th day of May, 1997.



NOTARY

CECIL M. WELLS
CERTIFIED PUBLIC ACCOUNTANT
208 Beechcreek Drive
West Monroe, L.A. 71292

MEMBER:
American Institute of
Certified Public Accountants
Louisiana Society of
Certified Public Accountants

TELEPHONE:
(518) 396 - 2862

Accountant's Compilation Report

BOARD OF COMMISSIONERS
Ward 2 Fire Protection District No. 1
Of Morehouse Parish
Rt. 5, Box 605
Buckman, Louisiana 71229

I have compiled the accompanying component unit financial statements of Ward 2 Fire Protection District No. 1, a component unit of the Morehouse Parish Police Jury, as of and for the year ended December 31, 1996, in accordance with standards established by the American Institute of Certified Public Accountants.

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

Respectfully submitted,


Cecil M. Wells
April 15, 1997

Receipt Acknowledged
Legislative Authority



**WARD 2 FIRE PROTECTION DISTRICT No. 1
OF MOREHOUSE PARISH**

Boekman, Louisiana

Notes to the Financial Statements (Continued)

on behalf of the fire protection district. Thus, there is no support provided by the police jury that the district receives that is not included in the accompanying financial statements.

WARD 2 FIRE PROTECTION DISTRICT NO. 2 OF MOREHOUSE PARISH
MOREHOUSE PARISH POLICE JURY
Bossier, Louisiana

Component Unit Financial Statements
As of and for the Year Ended December 31, 1996

CONTENTS

	Statement	Page No.
Transmittal Letter		2
Affidavit		3
Accountant's Compilation Report		4
Component Unit Financial Statements:		
Balance Sheet - December 31, 1996 (All Fund Types and Account Group)	A	5
Governmental Fund: Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP) Basis) and Actual	B	6
Notes to the Financial Statements		9

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**WARD 2 FIRE PROTECTION DISTRICT NO. 1 OF MOREHOUSE PARISH
MOREHOUSE PARISH POLICE JURY
Bossier, Louisiana**

**Annual Comptrol Unit Financial Statements
and Accountant's Certification Report
As of and for the Year Ended December 31, 1990**

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

Balance Date 1990 12 31

CECIL M. WILLIS
CERTIFIED PUBLIC ACCOUNTANT

TRANSMITTAL LETTER

WARD 2 FIRE PROTECTION DISTRICT No. 1 OF MOREHOUSE PARISH
ANNUAL FINANCIAL STATEMENTS

April 15, 1977
(Date)

Office of Legislative Auditor
Attention: Ms. Dorothy Milner
1600 North Third
PO Box 94397
Baton Rouge, LA 70804-3997

Dear Ms. Milner:

In accordance with Louisiana Revised Statute 24:514, enclosed are the component unit financial statements for Ward 2 Fire Protection District No. 1 of Morehouse Parish, as of and for the year ended December 31, 1976. The report includes all funds under the control and oversight of Ward 2 Fire Protection District No. 1 of Morehouse Parish. The accompanying component unit financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,


Officer