

## REPORT

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana

Component Unit Financial Statements  
As of and for the Year  
Ended December 31, 2003  
with Supplemental Information Schedules

*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 4-14-04

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana

Component Unit Financial Statements  
As of and for the Year Ended December 31, 2003  
With Supplemental Information Schedule

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# Management's Discussion and Analysis

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Introduction**

WASHINGTON PARISH FIRE PROTECTION DISTRICT No. 5 is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standard Board Statement No. 34, Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments (hereinafter referred to as GASB 34) and related standards.

**Financial Highlights**

- Total assets for the year were \$226,974 at December 31, 2003 and exceeded liabilities in the amount of \$167,551 (i.e., net assets). Of this total net assets, \$33,057 may be used to meet the government's ongoing obligation to citizens and creditors. The balance of total assets is \$167,551 which is invested in capital assets net
  
- Revenues consist of ad valorem tax, state revenue sharing and fund raiser. The total revenues for the fiscal year ending December 31, 2003 was \$39,446 representing an approximate 33% decrease from total revenues for fiscal year December 31, 2002 of \$58,786. In prior year the fire district had a grant revenue of \$19,000.
  
- The District's operating expenditures for the governmental fund, consisting of those expenditures resulting from the District's ongoing operations, decrease by \$51,063 (51.04%) compared to the prior fiscal year, totaling \$89,518 for fiscal year ended December 31, 2003. The areas of the decreases were in capital outlay of \$44,435, and the total operating expenditures by \$6,628. In the government-wide statement of activities, the total expenses are \$28,914. The government-wide statement of activities recorded depreciation expenses of \$9,336 and The governmental fund recorded the capital outlay of \$18,877.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Overview of Annual Financial Report**

Management's Discussion and Analysis (MD&A) serves as an introduction to basic financial statement. The District's basic financial statements are comprised of three components: 1) government-wide statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in additions to basic financial statements themselves.

**Government-wide financial statements.** *The government –wide financial statements are designed to provide readers with a board overview of the District's finances, in a manner similar to private-sector business. These financial statements are reported using the using the full accrual accounting methods.*

The statement of net assets presents information on all of the District's assets and liabilities, with difference between the two reported as net assets. Over time, increases or decreases in nets assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

*The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.*

The statement of net assets and the statement of activities display information about the District as a whole. These statements distinguish between those activities of District that are governmental and those that are considered business type activities.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resource that has been segregated for specific activities or objective. The district segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The Modified accrual basis of accounting is used by the governmental funds.

**Notes to financial statements.** The notes to the financial statements provide required disclosure essential to the understanding of the financial statements. The notes present information about the District's accounting policies, significant account balances and activities, commitments, contingencies, and subsequent events, if any. Supplementary information includes a comparative budget schedule.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Financial Analysis**

Since this is the first year that the Fire District No. 5 is reporting under the GASB 34 which required government-wide, we are presented a financial analysis base on the prior year and current year governmental funds. The purpose of financial analysis is to help to determine whether the Fire District No. 4 is better off as a result of the current year's activities. In this analysis, data from two of the basis financial statement Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance.

**Condensed Balance Sheet**

	2002	2003	Change	Change
Total Assets	<u>\$ 56,953</u>	<u>\$ 59,423</u>	<u>\$ 2,470</u>	4.34%
Total Liabilities	<u>\$ 24,887</u>	<u>\$ 26,366</u>	<u>\$ 1,479</u>	5.94%
Fund Balance- Unreserved	<u>32,066</u>	<u>33,057</u>	<u>991</u>	3.09%
Total Fund Balances	<u>32,066</u>	<u>33,057</u>	<u>991</u>	3.09%
Total Liabilities and Fund Balances	<u>\$ 56,953</u>	<u>\$ 59,423</u>	<u>2,470</u>	4.34%

The liabilities are the deferred revenues which are the contra amount to the receivables.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Condensed Statement Of Revenues, Expenditures, and Changes in Fund Balance**

	December 31, 2002	December 31, 2003	Dollar Change	Percent Change
Total Revenues	\$ 58,786	\$ 39,446	\$ (19,340)	-32.90%
Expenditures:				
Operating Expenditures	26,206	19,578	\$ (6,628)	-25.29%
Capital Outlay	63,312	18,877	\$ (44,435)	-70.18%
Total Expenditures	<u>89,518</u>	<u>38,455</u>	(51,063)	-57.04%
Excess Revenue Over Expenditures	(30,732)	991	31,732	-103.25%
Fund Balance, January	<u>62,798</u>	<u>32,066</u>	<u>(30,732)</u>	-48.94%
Fund Balance , December	<u><u>32,066</u></u>	<u><u>33,057</u></u>	<u><u>991</u></u>	3.09%

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Budgetary Highlight**

The district does not have a formal policy on adopting a budget. The budget for year ending December 31, 2003, was adopted at the district's December 3, 2002, regular meeting. The budget was amended at the district's regular meeting December 1, 2003. All appropriations lapse at year-end.

**Budget vs. Actual – Fiscal Year End December 32, 2003**

	Budget	Amended Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES:</b>				
Ad valorem taxes	\$ 24,000	\$ 30,000	\$ 24,571	\$ (5,429)
Interest earned	-	-	46	46
Fund raiser	2,000	2,000	3,309	1,309
Miscellaneous income	-	-	-	-
Total Revenues	<u>30,000</u>	<u>37,000</u>	<u>39,446</u>	<u>2,446</u>
<b>EXPENDITURES:</b>				
Insurance	5,000	5,000	6,084	(1,084)
Repairs and maintenance	2,200	2,900	3,445	(545)
Utilities	1,500	2,600	2,521	79
Supplies	1,000	1,000	1,338	(338)
Capital Outlay	12,000	17,000	18,877	(1,877)
Legal and accounting	1,000	1,200	850	350
Bookkeeping	2,400	2,400	2,400	-
Fund raiser	1,500	1,400	1,117	283
Fuel, gas, and oil	1,200	1,200	1,052	148
Training	1,000	1,000	-	1,000
Other	1,200	1,300	771	529
Total expenditures	<u>30,000</u>	<u>37,000</u>	<u>38,455</u>	<u>(1,455)</u>
<b>OVER (UNDER) EXPENDITURES</b>				
<b>EXCESS OF REVENUES AND</b>				
<b>FUND TRANSFERS</b>				
	-	-	991	991
FUND BALANCE, JANUARY 1, 2003	<u>32,066</u>	<u>32,066</u>	<u>32,066</u>	<u>-</u>
<b>FUND BALANCE, DECEMBER 31, 2003</b>	<u><u>\$ 32,066</u></u>	<u><u>\$ 32,066</u></u>	<u><u>\$ 33,057</u></u>	<u><u>\$ 991</u></u>



**WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angle, Louisiana**

**Management's Discussion and Analysis**

**Capital Assets**

At the end of the fiscal year December 31, 2003, the Fire District No. 4 had \$137,924 (net of accumulated depreciation) recorded in capital assets. Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statement. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful life:

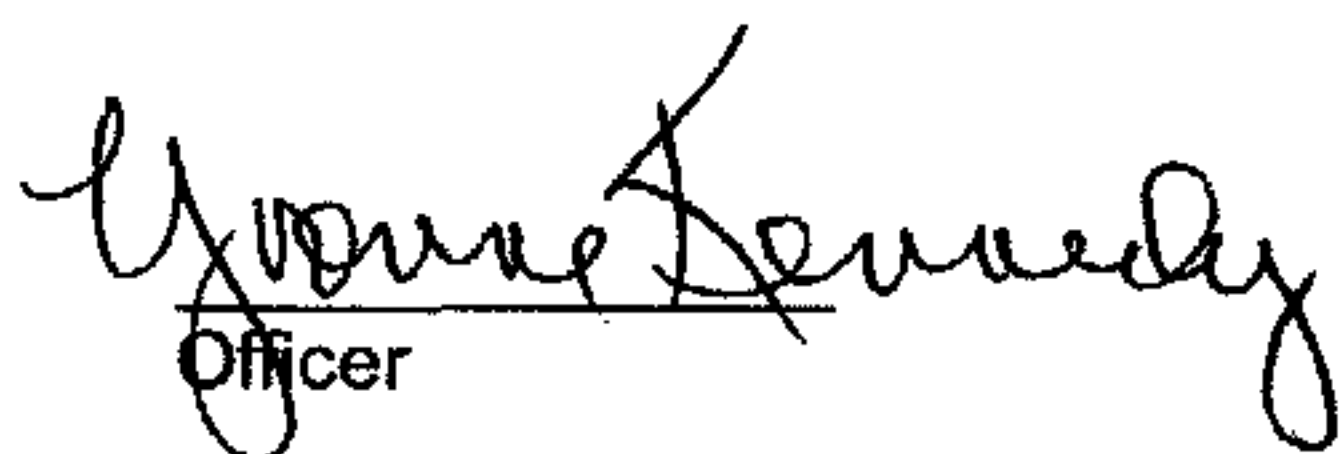
Fire Stations	40 years
Fire Trucks and Other Truck	5-20 year
Equipment	3-10 year

Fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated assets are valued at fair market value on the date donated. The cost of all assets acquired prior to 1989 have been valued using estimated historical cost.

Capital asset activity for the year ended December 31, 2003

	January 1, 2002	December 31, 2003	Dollar Change	December 31, 2003
Land	\$ 13,500	\$ 13,500		0.00%
Fire trucks	101,098	101,098	-	0.00%
Fire house	79,041	84,341	5,300	6.71%
Equipment	46,041	59,617	13,576	29.49%
subtotal	239,680	258,556	18,876	7.88%
Less Accumulated				
Depreciation	(81,669)	(91,005)	(9,336)	11.43%
Net Capital Assets	158,011	167,551	9,540	6.04%

Purchases of capital assets from December 31, 2002 to December 31, 2003 were minimal, there were an addition to station 1 and Other purchases such as, turnout gear, reporting system and communication radio.

  
Officer

TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

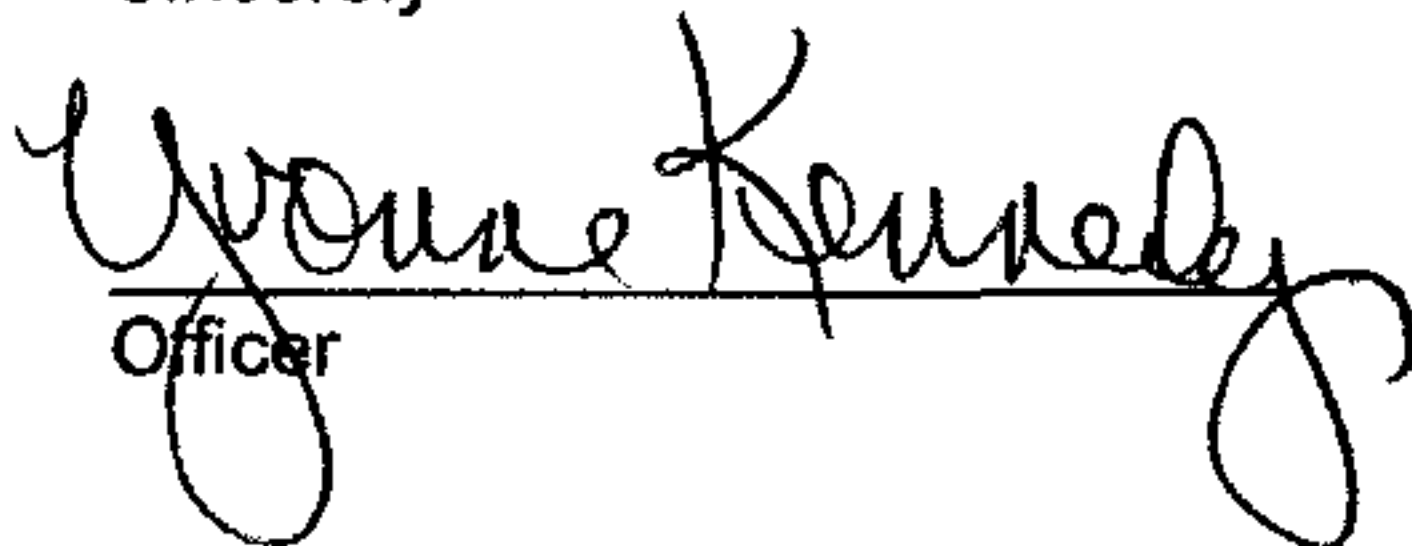
DECEMBER 31, 2003

Office of the Legislative Auditor  
1600 North Third  
P. O. Box 94397  
Baton Rouge, LA 70804-9397

Dear Sir:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Washington Parish Fire Protection District # 5 as of and for the fiscal year ended December 31, 2003. The report includes all funds under the control and oversight of the district. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely

  
\_\_\_\_\_  
Officer

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 5  
Pine, LOUISIANA

ANNUAL SWORN FINANCIAL STATEMENTS  
AND CERTIFICATION OF REVENUES \$50,000 OR LESS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2002  
WITH APPROPRIATE SUPPLEMENTAL INFORMATION

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, is required by Louisiana Revised Statute 24:513(1)(1)(c)(i).

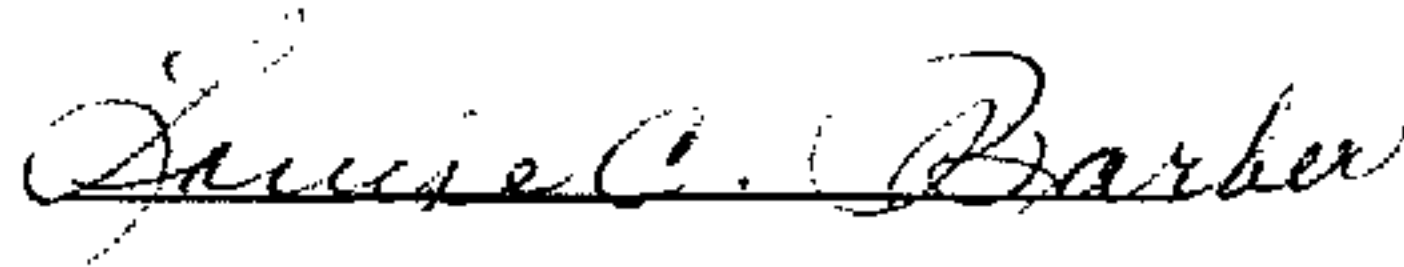
AFFIDAVIT

Personally came and appeared before the undersigned authority, Walt Seal, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Washington Parish Fire Protection District #4 as of December 31, 2002, and the results of the operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Walt Seal, who, duly sworn, deposes and says that the Washington Parish Fire Protection District #4 received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 2003, and accordingly, is not required to have an audit for the previously mentioned fiscal year end.

  
Signature

Sworn to and subscribed before me, this 29 day of MARCH, 2004.



NOTARY PUBLIC

Officer Jeane Tavey  
Address 64474 Royal St  
Angie, LA 70426  
Telephone 985-986-3753

FRANKLINTON, LOUISIANA 70438  
(985)839-4413  
FAX (985)839-4402

MEMBER  
A.I.C.P.A.

MEMBER  
L.C.P.A.

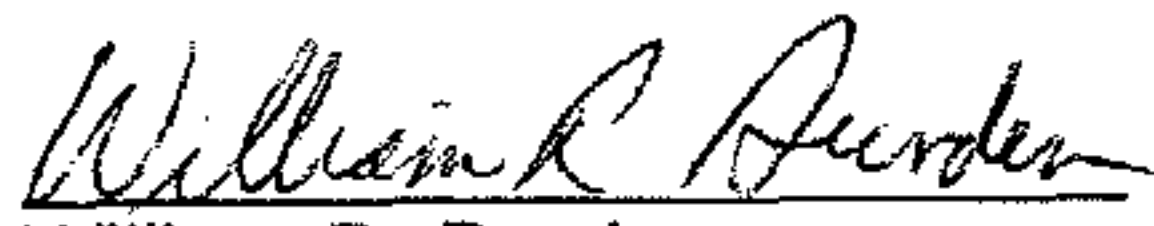
Board of Commissioners  
Washington Parish Fire  
Protection District # 5  
Pine, Louisiana

I have compiled the accompanying financial statements and supplemental information of the Washington Parish Fire Protection District # 5, a component unit of the Washington Parish Government, as of and for the year ended December 31, 2003, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

The management's discussion and analysis and budgetary comparison information, on pages 1 through 7 and 16 through 17 are not required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, I do not express an opinion or any other form of assurance on the supplementary information.

I am not independent with respect to Washington Parish Fire Protection District # 5.

  
William R. Durden  
Certified Public Accountant

Franklinton, Louisiana  
March 19, 2004

## FINANCIAL STATEMENTS

STATEMENT A

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
 WASHINGTON PARISH GOVERNMENT  
 Angie, Louisiana  
 Statement of Net Assets  
 December 31, 2003

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 31,671
Receivables	26,366
Prepaid expenses	1,386
Capital assets	
Land	13,500
Fire trucks	101,098
Fire stations	84,341
Equipment	59,617
Less accumulated depreciation	<u>(91,005)</u>
Capital assets , net	<u>167,551</u>
<b>Total Assets</b>	<u><u>226,974</u></u>
 <b>LIABILITIES:</b>	
Deferred Revenue	26,366
<b>Total Liabilities</b>	<u>26,366</u>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	167,551
Unrestricted	33,057
<b>Total Net Assets</b>	<u><u>\$ 200,608</u></u>

See accountant 's compilation report and accompany notes to financial statements

STATEMENT B

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
 WASHINGTON PARISH GOVERNMENT  
 Angie, Louisiana  
 STATEMENT OF ACTIVITIES  
 For the Year Ended December 31, 2003

EXPENSES:

Insurance	6,084
Accounting and legal	850
Repairs and maintenance	3,445
Depreciation expense	9,336
Utilities	2,521
Supplies	1,338
Bookkeeping	2,400
Fund rasiers	1,117
Fuel, gas, and oil	1,052
Other	771
Total Program Expenses	<u>28,914</u>

PROGRAM REVENUES:

Ad valorem taxes	\$ 24,571
State revenue sharing	11,520
Other revenues:	
Interest earned	46
Fund rasiers	3,309
Net Program Revenues	<u>39,446</u>

Change in Net Assets 10,532

Beginning Net Assets, JANUARY 1, 2003 190,076

Ending Net Assets, DECEMBER 31, 2003 \$ 200,608

See accountant's compilation report and accompany notes to the financial statements.

STATEMENT C

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
 WASHINGTON PARISH GOVERNMENT  
 Angie, Louisiana  
 Balance Sheet  
 Governmental Funds  
 DECEMBER 31, 2003

	<u>General Fund</u>
<b>ASSETS AND OTHER DEBITS:</b>	
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 31,671
Receivables	26,366
Prepaid expenses	1,386
<b>TOTAL ASSETS</b>	<u><u>\$ 59,423</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES:</b>	
Deferred revenue	\$ 26,366
Total Liabilities	<u>26,366</u>
 <b>FUND BALANCE</b>	
Fund balance - unreserved	33,057
Total Fund Balance	<u>33,057</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <u><u>\$ 59,423</u></u>
 <b>Reconciliation:</b>	
Total governmental funds balances	\$ 33,057
Capital assets	167,551
Net assets of government activities	<u><u>\$ 200,608</u></u>

See accountant's compilation report and the accompanying notes to the financial statements



STATEMENT D

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
 WASHINGTON PARISH GOVERNMENT  
 Angie, Louisiana  
 Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Governmental Funds  
 For the Year Ended December 31, 2003

	<u>General</u>
<b>OPERATING REVENUES:</b>	
Ad valorem taxes	\$ 24,571
State revenue sharing	11,520
Interest earned	46
Fund Raisers	3,309
<b>Total Revenues</b>	<u>39,446</u>
<b>EXPENDITURES:</b>	
Insurance	6,084
Repairs and maintenance	3,445
Utilities	2,521
Supplies	1,338
Capital Outlay	18,877
Legal and accounting	850
Bookkeeping	2,400
Fund raiser	1,117
Fuel, gas, and oil	1,052
Other	771
<b>Total operating expenditures</b>	<u>38,455</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	991
<b>FUND TRANSFERS</b>	<u>-</u>
<b>EXCESS OF REVENUES AND FUND TRANSFERS</b>	991
<b>FUND BALANCE, JANUARY 1, 2003</b>	<u>32,066</u>
<b>FUND BALANCE, DECEMBER 31, 2003</b>	<u>\$ 33,057</u>
<b>Reconciliation:</b>	
Change in fund balance	\$ 991
Capital assets purchased	18,877
Current year depreciation	(9,336)
Change in net assets	<u>\$ 10,532</u>

See accountant's compilation report and the accompanying notes to the financial statements

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana  
Budgetary Comparison Schedule  
General Funds  
For the Year Ended December 31, 2003

	Budget	Amended Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES:</b>				
Ad valorem taxes	\$ 24,000	\$ 30,000	\$ 24,571	\$ (5,429)
State revenue sharing	4,000	5,000	11,520	6,520
Interest earned	-	-	46	46
Fund raiser	2,000	2,000	3,309	1,309
Miscellaneous income	-	-	-	-
Total Revenues	<u>30,000</u>	<u>37,000</u>	<u>39,446</u>	<u>2,446</u>
<b>EXPENDITURES:</b>				
Insurance	5,000	5,000	6,084	(1,084)
Repairs and maintenance	2,200	2,900	3,445	(545)
Utilities	1,500	2,600	2,521	79
Supplies	1,000	1,000	1,338	(338)
Capital Outlay	12,000	17,000	18,877	(1,877)
Legal and accounting	1,000	1,200	850	350
Bookkeeping	2,400	2,400	2,400	-
Fund raiser	1,500	1,400	1,117	283
Fuel, gas, and oil	1,200	1,200	1,052	148
Training	1,000	1,000	-	1,000
Other	1,200	1,300	771	529
Total expenditures	<u>30,000</u>	<u>37,000</u>	<u>38,455</u>	<u>(1,455)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	991	991
<b>FUND TRANSFERS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND FUND TRANSFERS</b>	-	-	991	991
<b>FUND BALANCE, JANUARY 1, 2003</b>	<u>32,066</u>	<u>32,066</u>	<u>32,066</u>	<u>-</u>
<b>FUND BALANCE, DECEMBER 31, 2003</b>	<u>\$ 32,066</u>	<u>\$ 32,066</u>	<u>\$ 33,057</u>	<u>\$ 991</u>

See accountant's compilation report and the accompanying notes to the financial statements

## NOTES TO FINANCIAL STATEMENTS

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

Notes to the Financial Statements  
For the Year Ended December 31, 2003

**NOTE 1- DESCRIPTION OF COMPONENT UNIT AND REPORTING ENTITY**

The Fire Protection District Number Five of Washington Parish was created under the Louisiana Revised Statute 40:1496.12E,. The district shall constitute a public corporation and as such shall have all the powers of public corporations, including perpetual existence and the right and power to incur debt and contract obligations, to sue and be sued, and to have a corporate seal. The district shall also be authorized to do and perform all acts in its corporate capacity and in its name, necessary and proper, for the purposes of acquiring, maintaining and operating buildings, machinery, equipment, water tank, water hydrants, water lines, and such other things as might be necessary or proper for effective fire prevention and control as considered necessary by the parish governing body of the district for the protection of the property within the limits of the district against fire.

The governing body of the parish shall appoint a five member board that shall perform all duties, functions, and powers responsible for the operation and maintenance of the district. All funds of the district shall be administered by the board. The board of commissioner members may be paid a per diem of fifty dollars for attending meetings of the board, and may be reimbursed any expenses incurred in performing the duties imposed upon them.

The district borders the Mississippi state line to the north, Pearl River to the east, 7<sup>th</sup> Ward line road to the south and Puspatappa Creek to the west in Ward 7 of Washington Parish, approximately 96 square miles. It serves approximately 2,100 people and several small businesses living and operating in this district. It operates two fire houses, one in Angie, Louisiana, and a second in Stateline, Louisiana, with a volunteer staff of fire fighters.

**REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Washington Parish Government is the financial reporting entity for Washington 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.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Washington Parish Government 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:

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana

Notes to the Financial Statements  
For the Year Ended December 31, 2003

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.

Organizations for which the parish council does not appoint a voting majority but are fiscally dependent on the parish council.

2. 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.
3. Organizations for which the reporting entity financial statements would be misleading if data of this organization is not included because of the nature or significance of the relationship.

Because the parish council appoints a voting majority of the district's governing board and the parish council has the ability to impose its will on the district, the district was determined to be a component unit of the Washington Parish Government, 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 government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**Note-2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the Washington Parish Fire Protection District # 5 have been prepared in conformity with generally accepted accounting principles of the United State of America (GAAP) as applied to government units. This is the first year that the accompanying financial statements have been prepared in conformity with GASB-34. Under GASB-34, a statement of net assets and statement of activities are prepared which are presented on accrual basis of accounting. The significant differences are capital outlay is reported as an assets and depreciated in the government-wide statement. Also long term obligations are recorded as a liabilities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #4**  
**WASHINGTON PARISH GOVERNMENT**  
Pine, Louisiana

Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2003

**A. BASIS OF PRESENTATION**

**Government-Wide Statements**

The statement of net assets and the statement of activities display information about the Fire District # 5 as a whole. These statements distinguish between those activities of Fire District # 5 that are governmental and those that are considered business type activities.

**Fund Financial Statements**

During the year, the Fire District # 5 segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

**B. FUND ACCOUNTING**

The District uses funds to maintain its financial records during the year. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds of the district are classified as governmental funds. Governmental funds account for the district's general activities, including the collection and disbursements of specific or legally restricted monies. Governmental funds of the district include:

- a. General Fund – the general operating fund of the district 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. With this measurement of focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Long term assets and long term liabilities are included in the governmental-wide statements. Operating statements of governmental funds present increases revenues other financing sources and decreases expenditures and other financing uses in current assets.

The government-wide statements of net assets and statement of activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with operation of these activities are included on the statement of net assets.



WASHINGTON PARISH FIRE PROTECTION DISTRICT #4  
WASHINGTON PARISH GOVERNMENT  
Pine, Louisiana

Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2003

The statements of net assets and statements of activities are presented on the accrual basis of accounting. Under this method of accounting exchange, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The modified accrual basis of accounting is used by the governmental funds. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. Effective for financial statements issued after June 30, 2000, GASB Statement 33, Accounting and Financial reporting for Nonexchange Transactions, defines a nonexchange transaction as a transaction whereby the government gives or receives value without directly receiving or giving equal value in return. Property taxes are imposed nonexchange revenues which result from assessments imposed on nongovernmental entities including individuals. Assets should be recognized when the government has an enforceable lien or legal claim to the resources, or the resources are received, whichever occurs first. Revenues are recognized in the period when use of the resources is required or first permitted by time requirements, for example for property taxes, the period for which (budget period) they are levied, or at the same time the assets are recognized, if no time requirements have been established. Resources received or recognized as receivable before the time requirements are met should be recognized as deferred revenue. However, for revenue to be recognized under the modified accrual basis, the measurable and available criteria must also be met. Governmental funds use the following practices in recording revenues and expenditures:

Revenues

Revenues are recognized in the accounting period they become available and measurable. Donations, fund raising net revenues and state revenue sharing is recorded when received. Ad valorem taxes become a lien against the assessed property on assessment date or levy date, therefore, a receivable is recorded at this time, however the actual amount paid to the governmental unit may not be collected until a later budget period, thus the revenue is recorded as deferred revenue and earned as collected.

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
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Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2003

Expenditures

Expenditures are recognized in the accounting period when the fund liability is incurred.

E. BUDGETS

The district does not have a formal policy on adopting a budget. The budget for year ending December 31, 2003, was adopted at the district's December 12, 2002, regular meeting. The budget was amended at the district's regular meeting December 9, 2003. All appropriations lapse at year-end.

F. ENCUMBRANCES

The district does not use encumbrance accounting.

G. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest bearing demand deposits. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

H. PREPAID ITEMS

The district uses the allocation method of recording prepaid expenses.

I. CAPITAL ASSETS

Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statement. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful life:

Fire Stations	40 years
Fire Trucks and Other Truck Equipment	20 year 3-10 year



WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
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Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2003

Fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. The cost of all assets acquired prior to 1989 have been valued using estimated historical cost. Approximately 4.45% of total assets are valued at estimated historical cost. Donated assets were transferred from the Angie Volunteer Fire Department (organized prior to 1988 state legislature establishment of the district) and are valued at their original cost which approximates market value at the date donated.

**J. COMPENSATED ABSENCES**

The district does not have any paid employees; therefore, it does not have a formal leave policy.

**K. LONG-TERM OBLIGATIONS**

Long-term obligations are reported in the government-wide financial statement.

**L. FUND BALANCE RESERVE**

Reserves

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

Designated Fund Balances

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

WASHINGTON PARISH FIRE PROTECTION DISTRICT #4  
 WASHINGTON PARISH GOVERNMENT  
 Pine, Louisiana

Notes to the Financial Statements (Continued)  
 For the Year Ended December 31, 2003

2. LEVIED TAXES

On November 3, 1992, the district passed a proposal for a 10 mill property tax assessment upon the property owners of the district, subject to homestead exemption. The tax is for a period of 10 years commencing in the year 1993 for the purpose of maintaining and operating the district's fire protection facilities, for purchasing fire trucks and other fire fighting equipment and paying the cost of obtaining water for fire protection service. On July 19, 1997 the voters of the district passed a resolution, amending the original millage proposition, for the added purposes of purchasing real estate, buildings and/or construction of a fire station or fire stations.

2003 Assessed property value	5,127,120
Homestead Exemption	<u>2,399,630</u>
Taxable value	<u><u>2,727,490</u></u>
9.72 Mill assessment	\$ 27,275
Less: Pension deduction	<u>939</u>
Net assessment	<u><u>\$ 26,335</u></u>

3. CASH AND CASH EQUIVALENTS

At December 31, 2003, the district has cash and cash equivalents totaling \$31,671 as follows:

Non-interest bearing demand deposits	\$ 31,671
Total cash and cash equivalents	<u>\$ 31,671.</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 to be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2003, the district had \$31,671. in deposits (collected bank balances). These deposits were secured from risk by \$100,000. of the federal deposit insurance.

WASHINGTON PARISH FIRE PROTECTION DISTRICT #4  
 WASHINGTON PARISH GOVERNMENT  
 Pine, Louisiana

Notes to the Financial Statements (Continued)  
 For the Year Ended December 31, 2003

4. RECEIVABLES

The following is a summary of receivables at December 31, 2003:

<u>Class of receivable</u>	<u>General Fund</u>
Ad valorem taxes	\$ 26,336.
Prior year taxes receivable	<u>30.</u>
Total receivables	<u>\$ 26,366.</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2003

	January 1, 2002	Additions	Deductions	December 31, 2003
Land (not Depreciation)	\$ 13,500	\$ -	\$ -	\$ 13,500
Fire trucks	101,098	-	-	101,098
Fire house	79,041	5,300	-	84,341
Equipment	46,041	13,576	-	59,617
 TOTAL	 239,680	 18,876	 -	 258,556
 Less Accumulated Depreciation				  91,005
 Governmental Capital Assets, net				  167,551

SUPPLEMENTAL INFORMATION

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana  
Budgetary Comparison Schedule  
General Funds  
For the Year Ended December 31, 2003

	Budget	Amended Budget	Actual	Favorable (Unfavorable) Variance
<b>REVENUES:</b>				
Ad valorem taxes	\$ 24,000	\$ 30,000	\$ 24,571	\$ (5,429)
State revenue sharing	4,000	5,000	11,520	6,520
Interest earned	-	-	46	46
Fund raiser	2,000	2,000	3,309	1,309
Miscellaneous income	-	-	-	-
Total Revenues	<u>30,000</u>	<u>37,000</u>	<u>39,446</u>	<u>2,446</u>
<b>EXPENDITURES:</b>				
Insurance	5,000	5,000	6,084	(1,084)
Repairs and maintenance	2,200	2,900	3,445	(545)
Utilities	1,500	2,600	2,521	79
Supplies	1,000	1,000	1,338	(338)
Capital Outlay	12,000	17,000	18,877	(1,877)
Legal and accounting	1,000	1,200	850	350
Bookkeeping	2,400	2,400	2,400	-
Fund raiser	1,500	1,400	1,117	283
Fuel, gas, and oil	1,200	1,200	1,052	148
Training	1,000	1,000	-	1,000
Other	1,200	1,300	771	529
Total expenditures	<u>30,000</u>	<u>37,000</u>	<u>38,455</u>	<u>(1,455)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	991	991
<b>FUND TRANSFERS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND FUND TRANSFERS</b>	-	-	991	991
<b>FUND BALANCE, JANUARY 1, 2003</b>	<u>32,066</u>	<u>32,066</u>	<u>32,066</u>	-
<b>FUND BALANCE, DECEMBER 31, 2003</b>	<u>\$ 32,066</u>	<u>\$ 32,066</u>	<u>\$ 33,057</u>	<u>\$ 991</u>

See accountant's compilation report and the accompanying notes to the financial statements

WASHINGTON PARISH FIRE PROTECTION DISTRICT #4  
WASHINGTON PARISH GOVERNMENT  
Pine, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 2003

COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Board members were not paid compensation in any form.

See accountant's compilation and notes to the financial statements.