

WARD 3 FIRE PROTECTION DISTRICT  
A COMPONENT UNIT OF THE JACKSON PARISH POLICE JURY  
JACKSON PARISH, LOUISIANA

General Purpose Financial Statements  
and Accountant's Compilation Report  
As of and for the Year Ended December 31, 2000

Under provisions of state law, this report is a public document. A copy of this 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 7-21-01

**KENNETH D. FOLDEN & CO.**

CHARTERED PUBLIC ACCOUNTANTS  
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**WARD 3 FIRE PROTECTION DISTRICT  
A COMPONENT UNIT OF THE JACKSON PARISH POLICE JURY  
JACKSON PARISH, LOUISIANA**

**General Purpose Financial Statements  
and Accountant's Compilation Report  
As of and for the Year Ended December 31, 2003**

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**Ward 3 Fire Protection District  
Jackson Parish, Louisiana**

P. O. Box 188  
Clifton, 71224

**TRANSMITTAL LETTER**

**GENERAL PURPOSE FINANCIAL STATEMENTS**

June 30, 2004

Office of Legislative Auditor  
Attention: Ms. Suzanne Elliott  
P. O. Box 94397  
1600 North Third  
Baton Rouge, LA 70804-9397

Dear Ms. Elliott:

In accordance with Louisiana Revised Statute 24:504, enclosed are the annual financial statements for the Ward 3 Fire Protection District of Jackson Parish, a component unit of the Jackson Parish Police Jury, as of and for the fiscal year ended December 31, 2003. These statements include all funds under the control and oversight of the Ward 3 Fire Protection District of Jackson Parish. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Freddy Tolar, Chairman  
Ward 3 Fire Protection District of Jackson Parish

Enclosure

WARD 3 FIRE PROTECTION DISTRICT  
A COMPONENT UNIT OF THE JACKSON PARISH POLICE JURY  
JACKSON PARISH, LOUISIANA

ANNUAL SWORN GENERAL PURPOSE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003 AND  
CERTIFICATION OF REVENUE \$50,000 OR LESS

The annual sworn financial statements are required by  
Louisiana Revised Statute 34:114 to be  
filed with the Office of Legislative Auditor  
within 90 days after the close of the fiscal year.  
The certification of revenue \$50,000 or less, if applicable,  
is required by Louisiana Revised Statute 24:113(1)(c)(ii).

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AFFIDAVIT AND REVENUE CERTIFICATION

Personally came and appeared before the undersigned authority, Freddy Tolar, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Ward 3 Fire Protection District of Jackson Parish, a component unit of the Jackson Parish Police Jury, as of December 31, 2003, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Freddy Tolar, who, duly sworn, deposes and says that the Ward 3 Fire Protection District of Jackson Parish received \$50,000 or less in revenues and other resources for the year ended December 31, 2003 and accordingly, is not required to have an audit for the previously mentioned year.

  
\_\_\_\_\_  
Signature

Sworn to and subscribed before me, this 14 day of July, 2004

  
\_\_\_\_\_  
NOTARY PUBLIC

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Ward 3 Fire Protection District  
Freddy Tolar, Chairman  
P. O. Box 150  
Chattam LA 71226

**Kenneth D. Falden & Co.**  
Certified Public Accountants

Kenneth D. Falden, CPA

Ted W. Sanderlin, CPA

Member  
Society of Louisiana  
Certified Public Accountants

501 Eighth Street  
Baton Rouge, La. 70801  
(225) 386-1800  
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Member  
Society of Louisiana  
Certified Public Accountants

**ACCOUNTANT'S COMPILATION REPORT**

Mr. Freddy Tejar, Chairman  
and Members of the Board of Commissioners

Ward 3 Fire Protection District  
P. O. Box 190  
Choudry, LA. 71226

We have compiled the accompanying financial statements of the Ward 3 Fire Protection District, of Jackson Parish, Louisiana, a component unit of the Jackson Parish Police Jury, 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Kenneth D. Falden & Co., CPAs  
Baton Rouge, Louisiana  
June 30, 2004

WARD 3 FIRE PROTECTION DISTRICT  
Jackson Parish, Louisiana

ALL FUND TYPES AND ACCOUNT GROUPS  
COMBINED BALANCE SHEET, DECEMBER 31, 2003

	GOVERNMENTAL FUND TYPE - GENERAL FUND	ACCOUNT GROUP - GENERAL FUNDED ASSETS	TOTAL (MEMORANDUM ONLY)
<b>ASSETS AND OTHER DEBITS</b>			
Assets and other debits:			
Cash and cash equivalents	\$ 8,825	\$ 0	\$ 8,825
Accounts receivable - All various taxes	31,584		31,584
Land, plant, and equipment		368,389	368,389
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 40,409</b>	<b>\$ 368,389</b>	<b>\$ 408,798</b>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
Liabilities:			
Accounts payable	\$ 1,024	\$ 0	\$ 1,024
Total liabilities	1,024		1,024
Equity and other credits:			
Investment in general fixed assets		368,389	368,389
Fund balance - Unreserved - undesignated	83,980		83,980
Total equity and other credits	83,980	368,389	452,369
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$ 85,004</b>	<b>\$ 368,389</b>	<b>\$ 453,393</b>

The accompanying notes are an integral part of these financial statements.

**WARD 3 FIRE PROTECTION DISTRICT**  
**Jackson Parish, Louisiana**  
**GOVERNMENTAL FUND TYPE - GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Property taxes	\$ 39,188	\$ 39,441	\$ 253
Intergovernmental -			
Federal revenue sharing	2,700	2,700	
2% insurance rebates	3,878	3,878	
Interest	1,238	1,298	60
Contributions	364	364	
<b>Total revenues</b>	<u>47,368</u>	<u>47,679</u>	<u>311</u>
<b>EXPENDITURES:</b>			
Public safety:			
Advertising		(31)	31
Fuel	700	678	22
Insurance	6,014	6,014	
Legal and accounting	1,000	999	1
Miscellaneous	349	349	
Radio system maintenance	2,480	2,272	208
Repairs and maintenance	31,984	31,850	134
Statutory deductions	1,140	1,292	(152)
Telephones and utilities	1,402	1,433	(31)
Capital outlay	18,600	18,600	
<b>Total expenditures</b>	<u>55,687</u>	<u>55,437</u>	<u>250</u>
<b>EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENDITURES</b>	<b>(8,319)</b>	<b>(7,758)</b>	<b>561</b>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>92,749</u>	<u>92,749</u>	<u>0.000</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 84,430</u>	<u>\$ 84,991</u>	<u>\$ 561</u>

The accompanying notes are an integral part of these financial statements.  
**WARD 3 FIRE PROTECTION DISTRICT**

**Jackson Parish, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended December 31, 2003**

**INTRODUCTION**

The Ward 3 Fire Protection District of Jackson Parish is located in the eastern portion of Jackson Parish in northeast Louisiana. As provided by Louisiana Revised Statute 48:1495, the District is governed by a Board of Commissioners consisting of five members: two members are appointed by the Jackson Parish Police Jury; two members are appointed by the mayor and board of aldermen of Chauhan, Louisiana; and one member who serves as chairman, is elected by the four appointed board members. Commissioners are residents of the District and serve staggered one and two year terms. The members of the Board of Commissioners do not receive compensation.

The District was created to provide safety for the prevention and control of fires within the approximate 147 square mile area of the District. The District has acquired buildings and equipment in the effort to achieve its goals. Residents of the district serve as volunteer firemen.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the District 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 Jackson Parish Police Jury is the financial reporting entity for Jackson Parish. 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 the 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 Jackson Parish Police Jury 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 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 police jury.
2. Organizations for which the police jury does not appoint a voting majority but are financially dependent on the police jury.



**WARD 3 FIRE PROTECTION DISTRICT**  
Jackson Parish, Louisiana  
Notes to the Financial Statements (Continued)

**B. REPORTING ENTITY (Continued)**

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 approves the organization's governing body, and the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury, the District was determined to be a component unit of the Jackson Parish Police Jury, 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 police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The District uses a fund and an account group 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 governmental functions or activities.

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 financial resources.

The one fund of the District is its General Fund and it is classified as governmental in category. A description of this fund classification and the fund type follows:

**Governmental Funds**

Governmental funds account for all of the District's general activities, including the collection and disbursement of specific or legally restricted monies, and acquisition or construction of general fixed assets, and the servicing of general long-term obligations. The governmental fund of the Ward 3 Fire Protection District is the:

*General Fund*—the general operating fund of the District and accounts for all financial resources. The District has no financial resources which require separate fund accounting.

**D. BASIS OF ACCOUNTING**

The accounting and financial treatment applied in a fund is determined by its measurement focus. All governmental funds are 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 these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by all governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

**WARD 3 FIRE PROTECTION DISTRICT**  
**Jackson Parish, Louisiana**  
**Notes to the Financial Statements (Continued)**

**D. BASIS OF ACCOUNTING (Continued)**

**Revenues**

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 collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund revenues.

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 collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund revenues.

Ad valorem taxes (which are based on assessments of business property and homesteads in the parish) are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed by the Tax Assessor of Jackson Parish on a calendar basis, become due on November 15 of each year and become delinquent on December 31 at which time they attach as an enforceable lien on property. The taxes are generally collected in December of the current year and January and February of the ensuing year. Based on prior experience, the uncollectible ad valorem taxes net of proceeds from the tax sale of property is immaterial, thus no provision has been made for such a loss. A small portion of the assessed property taxes are held each year in the form of precollected taxes and these taxes are recognized in the period received by the district.

Intergovernmental revenues are recorded when the District is entitled to the funds. Substantially all other revenues are recorded when received.

**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.

**E. BUDGETS**

A budget was prepared on a basis consistent with generally accepted accounting principles (GAAP). The budget was made available for public inspection at the time of adoption. The Board of Commissioners must meet and approve all budget changes or amendments. At year end, all appropriations lapse. Budget amounts for the year ended December 31, 2003 are as originally adopted and all subsequent amendments.

**F. ENCUMBRANCES**

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District.

**WARD 3 FIRE PROTECTION DISTRICT**  
**Jackson Parish, Louisiana**  
**Notes to the Financial Statements (Continued)**

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. 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.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. 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 cost. The District has no investments at December 31, 2003.

**H. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation is provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

**I. COMPENSATED ABSENCES**

There are no accumulated and vested benefits relating to vacation and sick leave as the District has no employees.

**J. LONG-TERM OBLIGATIONS**

Long-term obligations reported to be financed from the governmental fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental fund when due. Ward 3 Fire Protection District has no long-term obligations at December 31, 2003.

**K. FUND EQUITY**

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

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

At December 31, 2003, the District's fund balances was unreserved and undesignated.

**WARD 3 FIRE PROTECTION DISTRICT**  
**Jackson Parish, Louisiana**  
**Notes to the Financial Statements (Continued)**

**1. TOTAL COLUMNS OF COMBINED STATEMENTS**

Total columns on the combined statements are explained Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**2. LEVIED TAXES**

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage	Expires
Maintenance and operation	9.4	8.7	2008

**3. CASH AND CASH EQUIVALENTS**

At December 31, 2003, the District has cash and cash equivalents (book balances) totaling \$ 51,815, as follows:

Interest-bearing demand deposits	\$ 12,600
Time deposit	<u>39,215</u>
	<u>\$ 51,815</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 December 31, 2003, the District has \$57,205 in deposits (collected bank balances). These deposits are secured from risk by \$ 57,215 of federal deposit insurance.

WARD 3 FIRE PROTECTION DISTRICT  
Jackson Parish, Louisiana  
Notes to the Financial Statements (Continued)

4. **FIXED ASSETS**

The changes in general fixed assets follow:

	Balance January 1, 2001	Additions	Deletions	Balance December 31, 2001
Buildings	\$ 4,935	\$ -	\$ -	\$ 4,935
Furniture and equipment	301,835	13,439	-	315,274
Total	\$ 306,770	\$ 13,439	\$ -	\$ 320,209

Ward 3 Fire Protection District has a 99 year lease with the Town of Chatham for \$1 per year to utilize the land where the Chatham fire station is located.

5. **PENSION PLANS**

The District does not participate in any pension or retirement plans.

6. **LITIGATION AND CLAIMS**

Management has advised us that the District is not involved in any litigation at December 31, 2001.