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REPORT

**WASHINGTON PARISH FIRE PROTECTION DISTRICT #3
WASHINGTON PARISH POLICE JURY
Anglo, Louisiana**

**Component Unit Financial Statements
As of and for the Year
Ended December 31, 1997
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 audited, or reviewed, 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 **March 1 9 1998**

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5
WASHINGTON PARISH POLICE JURY
Angie, Louisiana

Component Unit Financial Statements
As of and for the Year Ended December 31, 1997
With Supplemental Information Schedule

CONTENTS

		<u>Page No</u>
TRANSMITTAL LETTER		1
AFFIDAVIT		2
FINANCIAL STATEMENTS		
ALL FUND TYPES AND ACCOUNT GROUPS:		
	<u>Statement</u>	
Balance Sheet	A	3
GOVERNMENTAL FUNDS:		
Statement of Revenues, Expenditures and Changes in Fund Balance	B	4
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	C	5
NOTES TO FINANCIAL STATEMENTS		6 - 10
SUPPLEMENTAL INFORMATION		
Schedule of Compensation Paid to Board Members		14

TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

DECEMBER 31, 1997

Office of the Legislative Auditor
P. O. Box 94387
Baton Rouge, LA 70804-0387

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, 1997. 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,



Yvonne Kennedy
Secretary

WASHINGTON PARISH FIRE PROTECTION DISTRICT # 5
ANGIE, LOUISIANA.

ANNUAL SWORN FINANCIAL STATEMENTS
AND CERTIFICATION OF REVENUES \$50,000 OR LESS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1997
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 (2) (1) (c) (5).

AFFIDAVIT

Personally came and appeared before the undersigned authority, Yvonne Kennedy, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Washington Parish Fire Protection District # 5 as of December 31, 1997, and the results of the operations for the year ended, in accordance with the basis of accounting described within the accompanying financial statements. In addition, Yvonne Kennedy, who, duly sworn, deposes and says that the Washington Parish Fire Protection District # 5, received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 1997, and accordingly, is not required to have an audit for the previously mentioned fiscal year end.


Signature

Sworn to and subscribed before me, this ___ day of _____, 1998.

Notary Public

Office _____
Address _____

Telephone # _____

FINANCIAL STATEMENTS

WASHINGTON POLICE FIRE PROTECTION DISTRICT #5
 WASHINGTON POLICE FIRE PROTECTION DISTRICT #5
 Kyoto, Louisiana

All Fixed Assets and Current Assets

Balance Sheet
 December 31, 1997

	Governmental Funds		Account Groups		Total
	General Fund	Debt Service Fund	General Fund	Capital Construction	
ASSETS:					
Cash and cash equivalents	\$ 20,881	\$ -	\$ -	\$ -	\$ 20,881
Prepaid expenses	20,882	-	-	-	20,882
Land, buildings, & equipment	1,998	-	-	-	1,998
OTHER ASSETS:	-	-	170,269	-	170,269
Accounts receivable in Debt Service Fund	-	-	-	-	-
Amount to be provided for retirement of long-term debt	-	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 43,761</u>	<u>\$ -</u>	<u>\$ 170,269</u>	<u>\$ 50,000</u>	<u>\$ 264,030</u>
LIABILITIES, EQUITY, AND OTHER CREDITS					
LIABILITIES:					
Notes payable - General Fund	-	-	-	50,000	50,000
Notes payable - Debt Service Fund	-	-	-	50,000	50,000
EQUITY AND OTHER CREDITS:					
Investment in general fund assets	-	-	170,269	-	170,269
Fund balance - unassigned	50,445	-	-	-	50,445
Total Equity and Other Credits	50,445	-	170,269	-	220,714
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$ 50,445</u>	<u>\$ -</u>	<u>\$ 170,269</u>	<u>\$ 50,000</u>	<u>\$ 220,714</u>

See the accompanying notes to the financial statements.

STATEMENT B

WASHINGTON PARISH FIRE PROTECTION DISTRICT AS
WASHINGTON PARISH POLICE JURY
Anglo, Louisiana

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended December 31, 1997

	General	Debt Service	Total
REVENUES:			
Ad valorem taxes	\$ 24,158	\$ -	\$ 24,158
State revenue sharing	4,328	-	4,328
Loan proceeds	55,000	-	55,000
Other revenues:			
Donations	478	-	478
Interest earned	303	-	303
Fund raiser	4,072	-	4,072
Fire reports	224	-	224
Total Revenues	<u>88,463</u>	<u>-</u>	<u>88,463</u>
EXPENDITURES:			
Insurance	3,680	-	3,680
Repairs and maintenance	1,381	-	1,381
Utilities	581	-	581
Capital Outlay	54,887	-	54,887
Legal and accounting	3,000	-	3,000
Supplies	625	-	625
Fund raiser	1,252	-	1,252
Fuel, gas, and oil	924	-	924
Debt service:			
Principal retirement	-	-	-
Interest	-	3,974	3,974
Other	831	-	831
Total expenditures	<u>68,428</u>	<u>3,974</u>	<u>72,402</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,475)</u>	<u>(3,974)</u>	<u>(12,451)</u>
FUND TRANSFERS	<u>(3,874)</u>	<u>3,974</u>	<u>-</u>
EXCESS OF REVENUES AND FUND TRANSFERS	<u>(12,349)</u>	<u>-</u>	<u>(12,349)</u>
FUND BALANCE, JANUARY 1, 1997	<u>72,383</u>	<u>-</u>	<u>72,383</u>
FUND BALANCE, DECEMBER 31, 1997	<u>\$ 59,442</u>	<u>\$ -</u>	<u>\$ 59,442</u>

See accompanying notes to the financial statements

WASHINGTON PARISH FIRE PROTECTION DISTRICT #8
 WASHINGTON PARISH POLICE JURY
 Angie, Louisiana

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures
 and Changes in Fund Balance -
 Budget and Actual - General Fund
 For the Year Ended December 31, 1987

	Budget	Actual	Variance
REVENUES:			
Ad valorem taxes	\$ 21,080	\$ 24,148	\$ 3,168
State revenue sharing	4,080	4,228	228
Less proceeds	80,080	85,808	(6,808)
Other revenues:			
Donations	-	478	478
Interest earned	-	300	300
Fund raise	2,850	4,872	2,022
Fire reports	-	224	224
Total Revenues	<u>37,990</u>	<u>40,452</u>	<u>2,462</u>
EXPENDITURES:			
Insurance	3,380	3,898	(518)
Repairs and maintenance	1,080	1,894	(814)
Utilities	580	601	(21)
Capital Outlay	73,080	84,867	(11,887)
Legal and accounting	2,780	3,828	(1,048)
Fund raise	1,350	1,342	8
Fuel, gas, and oil	880	824	64
Other	580	831	(251)
Total expenditures	<u>82,780</u>	<u>98,428</u>	<u>(15,648)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,190	(9,976)	(15,127)
FUND TRANSFERS	<u>(18,080)</u>	<u>(3,874)</u>	<u>14,206</u>
EXCESS OF REVENUES AND FUND TRANSFERS	(12,890)	(13,891)	(9,191)
FUND BALANCE, JANUARY 1, 1987	<u>72,385</u>	<u>72,385</u>	-
FUND BALANCE, DECEMBER 31, 1987	<u>\$ 59,545</u>	<u>\$ 58,442</u>	<u>\$ (9,103)</u>

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

WASHINGTON PARISH FIRE PROTECTION DISTRICT #6
WASHINGTON PARISH POLICE JURY
Anglo, Louisiana

Notes to the Financial Statements
For the Year Ended December 31, 1997

INTRODUCTION

As provided by Louisiana Revised Statute 40:1499.12E, the Fire Protection District Number Five of Washington Parish was created. 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 purpose 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, 7th Ward line road to the south and Puyatapapa 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 Anglo, Louisiana, and a second in Stateville, Louisiana, with a volunteer staff of fire fighters.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Washington Parish Fire Protection District #6 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units.

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 #5
WASHINGTON PARISH POLICE JURY
Anglo, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1967

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Washington Parish Police Jury is the financial reporting entity for Washington 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 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 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 fiscally 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 voting majority of the district's governing board and the police jury has the ability to impose its will on the district, the district was determined to be a component unit of the Washington 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.

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5
WASHINGTON PARISH POLICE JURY
Angie, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1997

C. FUNDING 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.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand 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 disbursements of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. 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.
- b. *Debt Service Fund* – the debt service fund of the District accounts for the matured portion of and the payment of principal and interest of liabilities of the General Long-term Debt Account Group.

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 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. The modified accrual basis of accounting is used by the governmental funds. The 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

WASHINGTON PARISH FIRE PROTECTION DISTRICT #6
WASHINGTON PARISH POLICE JURY
Angie, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1997

property on assessment date or levy date, but the actual amount paid to the governmental unit may not be collected until a later period. Generally, the ad valorem tax must be collected within sixty days after the end of the period in which the ad valorem tax revenue was recognized.

Expenditures

Expenditures are recognized in the accounting period 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, 1997, was adopted at the District's December 1996 regular meeting. 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. 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. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated historical cost. Approximately 4.5% of total assets are valued at estimated historical cost. Donated assets were transferred from the Angie Volunteer Fire Department (organized prior to 1888 state legislature establishment of the district) and are valued at their original cost which approximates market value at the date donated.

WASHINGTON PARISH FIRE PROTECTION DISTRICT #1
WASHINGTON PARISH POLICE JURY
Angie, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1987

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 expected to be financed from governmental funds are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

L. FUND EQUITY

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.

M. TOTAL COLUMNS ON STATEMENTS

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

2. LEVIED TAXES

On November 3, 1982, 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 1983 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 10, 1987 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.

WASHINGTON PARISH FIRE PROTECTION DISTRICT as
WASHINGTON PARISH POLICE JURY
Anglo, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1997

1997 assessed property value	4,285,210
Homestead Exemption	<u>1,904,038</u>
Taxable value	<u>2,381,172</u>
10 mill assessment	<u>\$ 23,812</u>

3. CASH AND CASH EQUIVALENTS

At December 31, 1997, the District has cash and cash equivalents totaling \$32,491, as follows:

Demand deposits	\$ 22,908
Interest bearing demand deposits	<u>10,188</u>
Total cash and cash equivalents	<u>\$ 32,491</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, 1997, the District had \$32,285 in deposits (collected bank balances). These deposits were secured from risk by \$100,000 of the federal deposit insurance.

4. RECEIVABLES

The following is a summary of receivables at December 31, 1997:

Class of receivable	General Fund
Ad valorem taxes	<u>\$ 23,812</u>

WASHINGTON PARISH FIRE PROTECTION DISTRICT #8
WASHINGTON PARISH POLICE JURY
Angie, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1997

5. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, 1997	Additions	Deductions	Balance December 31, 1997
Fire Trucks	\$ 45,594	\$ -	\$ -	\$ 45,594
Land	13,500	-	-	13,500
Fire House	4,304	73,900	-	78,404
Equipment	24,114	12,767	-	36,881
TOTAL	\$ 87,500	\$ 86,667	\$ -	\$ 174,167

6. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions during the year:

	Balance January 1, 1997	Additions	Deductions	Balance December 31, 1997
Notes Payable	\$ -	55,000	\$ -	\$ 55,000
TOTAL	\$ -	\$ 55,000	\$ -	\$ 55,000

WASHINGTON PARISH FIRE PROTECTION DISTRICT #6
WASHINGTON PARISH POLICE JURY
Anglo, Louisiana

Notes to the Financial Statements (Continued)
For the Year Ended December 31, 1997

On April 3, 1997, the Board of Commissioners of the District borrowed \$25,000 from Hancock Bank in Anglo, Louisiana, at an interest rate of nine percent (9.0%) percent per annum, to be repaid over a ten year period to fund the construction of a new firehouse. The Board Commission denied the District's initial application due to the wording of the tax proposition that was to be used to fund the debt service. The District, on July 19, 1997, had the wording of the original tax proposition (November 3, 1992) amended by the voters of the district. On November 22, 1997 the Board Commission approved the District's application to borrow \$25,000, to fund the construction of the new fire station, secured and payable from the assets or proceeds of the lot mills tax authorized at an election on November 3, 1992, amended July 19, 1997. In January 1998, the loan made by the Board of Commissioners was replaced with a loan in the name of the Washington Parish Fire Protection District #6. This loan is payable in the amount of \$10,000, by March 1st of each year with interest accruing at 9.5%, payable quarterly. There is no penalty for early payment of principle on this loan.

7. LITIGATION AND CLAIMS

As of December 31, 1997, there were no litigations or claims against the District.

8. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period under examination.

9. SUBSEQUENT EVENTS

There were no subsequent events after the balance sheet date requiring disclosure.

SUPPLEMENTAL INFORMATION

WASHINGTON PARISH FIRE PROTECTION DISTRICT #5
WASHINGTON PARISH POLICE JURY
Anglo, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE
For the Year Ended December 31, 1997

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, except that Mrs. Yvonne Kennedy, Secretary, was paid \$100 per month, total for the year of \$1,200, for bookkeeping services for the district. Louisiana Revised Statute 43:1499 provides that a member elected as Secretary or Treasurer of the board may be compensated additionally for such services.