

**WARD 2 FIRE DISTRICT**  
**Pioneer, Louisiana**

**Financial Statements  
And Supplementary Information  
Year Ended  
December 31, 2007**

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 6/11/08

**PREPARED BY:**

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# **WARD 2 FIRE DISTRICT**

## **Pioneer, Louisiana**

**Financial Statements  
And Supplementary Information  
Year Ended  
December 31, 2007**

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**WARD 2 FIRE DISTRICT  
PIONEER, LA**

Financial Statements  
And Supplementary Information  
Year Ended  
December 31, 2007

**TABLE OF CONTENTS**

	STATEMENT	PAGE
<b>FINANCIAL SECTION:</b>		
Accountant's Compilation Report		1
<b><u>General Purpose Financial Statements</u></b>		
Combined Balance Sheet – All Fund Types and Account Groups	A	3
Governmental Fund Type – General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	B	4
<b><u>Notes to Financial Statements</u></b>		
Notes		6-11
<b><u>Supplemental Information Schedules</u></b>		
Schedule of Compensation Paid Commissioners	1	13

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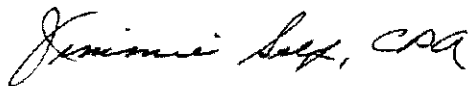
## ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Ward 2 Fire District  
Pioneer, Louisiana  
Frankie Jones, Fire Chief

I have compiled the accompanying Balance Sheet of the Ward 2 Fire District, a component unit of the West Carroll Parish Police Jury, as of December 31, 2007, and the related Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (GAAP Basis) and Actual for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

The Ward 2 Fire District did not adopt the provisions of Governmental Accountings Standards Board Statement No. 34 for the year ended December 31, 2007. The effects of this departure from generally accepted accounting principles has not been determined.



JIMMIE SELF, CPA  
Monroe, Louisiana  
May 15, 2008

**GENERAL PURPOSE FINANCIAL STATEMENTS**

WARD 2 FIRE DISTRICT  
Pioneer, LA

STATEMENT A

ALL FUND TYPES AND ACCOUNT GROUPS  
COMBINED BALANCE SHEET

DECEMBER 31, 2007

	Governmental Fund Type	Account Group	Total Memo Only
	General Fund	General Fixed Assets	
<b><u>ASSETS AND OTHER DEBITS:</u></b>			
Cash in Bank	\$ 36,904	\$ -	\$ 36,904
Investments	65,341	-	65,341
Fixed Assets	-	584,018	584,018
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 102,245</b>	<b>\$ 584,018</b>	<b>\$ 686,263</b>
<b><u>LIABILITIES AND FUND EQUITY:</u></b>			
Liabilities	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND EQUITY</b>			
Investments in General Fixed Assets	-	584,018	584,018
Fund Balance			
Undesignated	102,245	-	102,245
<b>TOTAL FUND BALANCE</b>	<b>102,245</b>	<b>584,018</b>	<b>686,263</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 102,245</b>	<b>\$ 584,018</b>	<b>\$ 686,263</b>

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S COMPILATION REPORT

**WARD 2 FIRE DISTRICT  
Pioneer, LA**

**STATEMENT B**

**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, 2007**

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>			
West Carroll Parish Police Jury	\$ 77,000	\$ 77,548	\$ 548
2% Insurance Rebate	-	6,043	6,043
Donations	-	250	250
Interest Income	2,700	3,361	661
Miscellaneous	-	150	150
Total Revenues	<u>79,700</u>	<u>87,352</u>	<u>7,652</u>
<b>EXPENDITURES</b>			
Current - Public Safety			
Operating Services	18,680	19,447	(767)
Material and Supplies	2,000	3,024	(1,024)
Maintenance of Equipment	2,500	2,228	272
Utilities	4,500	4,555	(55)
Debt Service			
Interest Expense	-	420	(420)
Capital Outlay	33,400	33,024	376
Total Expenditures	<u>61,080</u>	<u>62,698</u>	<u>(1,618)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	18,620	24,654	6,034
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>77,591</u>	<u>77,591</u>	-
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 96,211</u>	<u>\$ 102,245</u>	<u>\$ 6,034</u>

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S COMPILATION REPORT.

**NOTES  
TO THE  
FINANCIAL STATEMENTS**



**WARD 2 FIRE DISTRICT**  
**Pioneer, Louisiana**

Notes to the Financial Statements  
For the Year ended December 31, 2007

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This legal entity was established to provide fire protection for the political subdivision of Ward 2 in the Parish of West Carroll, Louisiana. The District serves the Village of Pioneer and the surrounding areas. This entity operates independent of any other parish governing body, but functions under the guidelines set forth by the West Carroll Parish Police Jury. The District operates under the direction of a board of directors. All members of the board serve with no compensation.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying general purpose financial statements of the Ward 2 Fire District have been prepared in conformity with the 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 West Carroll Police Jury is the financial entity for West Carroll Parish. The financial 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 West Carroll 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. The criteria include:

- a. Appointing a voting majority of an organization's governing body, and
  1. The ability of the police jury to impose its will on that organization and/or
  2. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
  
- b. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

**WARD 2 FIRE DISTRICT**  
**Pioneer, Louisiana**

Notes to the Financial Statements  
For the Year ended December 31, 2007

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c. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature of significance of the relationship.

Because the Ward 2 Fire District is fiscally dependent on the police jury, the district was determined to be a component unit of the West Carroll 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 other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed asset and long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with measurement of financial position, not with the measurements of results of operations.

The only fund for the district is the governmental fund. Governmental funds account for the district's general activities, including 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. Governmental funds of the district include:

1. General Fund – The general operating fund of the district and accounts for all financial activities, except for those required to be accounted for in other funds.

**D. BASIS OF ACCOUNTING**

The accounting of 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 liabilities are generally included on the balance sheet. Operating statements for these funds present increases and decreases in net current assets. The modified accrual basis of

**WARD 2 FIRE DISTRICT**  
**Pioneer, Louisiana**

Notes to the Financial Statements  
For the Year ended December 31, 2007

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accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The district uses the following practices in recognizing and reporting revenues and expenditures:

**Revenues:**

All revenues are recorded when the district is entitled to the funds.

**Expenditures:**

Expenditures are generally recognized under the modified accrual basis of accounting, when the liability is incurred.

**E. BUDGET PRACTICES**

The proposed budget, prepared on the GAAP basis of accounting, was prepared and adopted by the board of commissioners in December, 2004. The budget is established and controlled by the board of commissioners at the object level of expenditure. Encumbrance accounting is not utilized in the district's records. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners.

Formal budgetary integration is not employed as a management control device during the year. Budgeted amounts included in the accompanying financial statements included the original adopted budget. There were subsequent amendments to the budget. A review of the budgeted and actual disbursements showed them to be within the 5% limit.

**F. CASH**

Under state law, the district may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any state in the union, or the laws of the United States. The district may invest in certificates and time deposits of state banks under Louisiana law and national banks having principal offices in Louisiana.

The 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 securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal amount on deposit with the fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

**WARD 2 FIRE DISTRICT**  
**Pioneer, Louisiana**

Notes to the Financial Statements  
For the Year ended December 31, 2007

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**G. INVESTMENTS**

Investments are limited by the Louisiana Revised Statute R. S. 33:2955 and the political subdivision's investment policy. If original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. All investments are bank certificates of deposit and are stated at cost.

**H. RISK MANAGEMENT**

The fire district is exposed to various risk of loss related to torts: theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the district carries insurance coverage with the Bernard Insurance Agency in Shreveport, LA. The policy covers general liability, property damage, employee liability, and public officials' liability. No claims were paid on any of the policies during the past three years that exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended 12/31/2007.

**I. FIXED ASSETS**

Fixed assets are recorded as expenditures at the time purchased or constructed, and 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. The cost of normal maintenance and repairs that do not add to the value of the fixed assets or materially extend their lives are not capitalized.

**J. COMPENSATED ABSENCES**

The district has no paid employees. Therefore there is no policy relating to vacation and sick leave.

**K. FUND EQUITY**

Reserves

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use. At December 31, 2007, there were no reserves since the Certificate of Indebtedness was paid in full on February 2, 2007.

Designated Fund Balances

**WARD 2 FIRE DISTRICT**  
**Pioneer, Louisiana**

Notes to the Financial Statements  
For the Year ended December 31, 2007

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

**L. SALES TAX REVENUES**

In 1997 the West Carroll Parish Police Jury passed a ½% sales tax for fire protection in West Carroll Parish. This tax is divided among the fire protection districts for this purpose. This was a 10-year tax.

The tax was again placed before the people in a 2006 voting referendum and was approved for re-enactment in 2007. The proceeds from this tax are collected by the police jury and passed along to the individual fire districts on a monthly basis.

**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 represent the financial position or result of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a compilation.

**N. USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principals generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**NOTE 2. CASH AND CASH EQUIVALENTS**

The Ward 2 Fire District maintains its checking accounts in the Commercial Capital Bank in Delhi, Louisiana. The district had a balance in its accounts on December 31, 2007 of \$36,903.97. The accounts are insured by the FDIC in the amount of \$100,000.

**NOTE 3. INVESTMENTS**

The District has investments in the form of Certificates of Deposit in the Commercial

**WARD 2 FIRE DISTRICT**  
**Pioneer, Louisiana**

Notes to the Financial Statements  
For the Year ended December 31, 2007

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Capital Bank in Delhi, Louisiana in the amount of \$65,341. The account is insured by the FDIC in the amount of \$100,000.

**NOTE 4. CHANGES IN CAPITAL ASSETS**

A summary of changes in general fixed assets follows:

	Balance December 31, 2006	Additions	Deletions	Balance December 31, 2007
Fixed Assets	<u>550,994</u>	<u>33,024</u>	<u>0</u>	<u>584,018</u>
Total	<u>550,994</u>	<u>33,024</u>	<u>0</u>	<u>584,018</u>

In 2006, due to a grant received by the District which increased the revenue to an amount which required an audit, accumulated depreciation and current depreciation was charged to the fixed assets causing the balance in fixed assets at December 31, 2006 to be reduced to a net value of \$452,600. In 2007, the District required only a compilation, and no depreciation is charged.

**NOTE 5. RELATED PARTY TRANSACTIONS**

There are no related party transactions to disclose as required by FASB 57.

**NOTE 6. LITIGATION AND CLAIMS**

The Ward 2 Fire District is not a defendant in any litigation seeking damages.

**NOTE 7. SUBSEQUENT EVENTS**

There were no events that occurred after year end and the issuing of this report that would materially effect the financial statements as issued.

**SUPPLEMENTAL  
INFORMATION SCHEDULES**

WARD 2 FIRE DISTRICT  
Pioneer, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 2007

COMPENSATION PAID COMMISSIONERS

The names and addresses of the commissioners who serve on the board of the Ward 2 Fire District are listed below. They all serve without any financial compensation. They are as follows:

Wayne Allen - President  
1880 La. Hwy 577  
Pioneer, LA 71266  
318/926-5141

Clyde Hart - Vice President  
7422 Hwy 588  
Pioneer, LA 71266  
318/428-4170

Donald Goodwin - Secretary  
1033 Dummyline Road  
Pioneer, LA 71266  
318/926-4535

Frankie Jones – Fire Chief  
P. O. Box 176  
Pioneer, LA 71266  
318/428-2227

David Clark  
P. O. Box 73  
Pioneer, LA 71266  
318/428-0358

Chester Henshaw  
120 Otis Wade Road  
Oak Grove, LA 71263  
318/428-7825