

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

**General Purpose Financial Statements  
With Accountant's Compilation Report  
As of and for the Year Ended  
December 31, 2004**

**PREPARED BY:**

**JIMMIE L. SELF, CPA**  
***A Professional Accounting Corporation***  
**2908 Cameron Street, Suite C**  
**MONROE, LOUISIANA 71201**  
**Phone 318/323-4656 • FAX 318/388-0724**

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 7-27-05

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WARD 2 FIRE DISTRICT  
Pioneer, LA

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With Accountant's Compilation Report  
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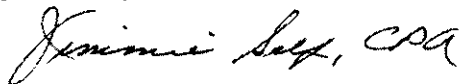
## ACCOUNTANT'S COMPILATION REPORT

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

I have compiled the accompanying general purpose financial statements as listed in the foregoing Table of Contents of the Ward 2 Fire District, Pioneer, Louisiana, a component unit of the West Carroll Parish Police Jury, as of and for the year ended December 31, 2004, in accordance with "Statements on Standards for Accounting and Review Services" issued by the American Institute of Certified Public Accountants.

The Pioneer Fire District did not adopt the provisions of Governmental Accountings Standards Board Statement No. 34 for the year ended December 31, 2004. The effects of this departure from generally accepted accounting principles has not been determined.

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 general purpose financial statements or supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.



JIMMIE SELF, CPA  
Monroe, Louisiana  
June 17, 2005

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**WARD 2 FIRE DISTRICT  
Pioneer, LA**

**STATEMENT A**

**ALL FUND TYPES AND ACCOUNT GROUPS  
COMBINED BALANCE SHEET**

**DECEMBER 31, 2004**

	<u>Governmental</u>	<u>Account Groups</u>		<u>Total</u>
	<u>Fund Type</u>	<u>General</u>	<u>General</u>	<u>Memo Only</u>
	<u>General</u>	<u>Fixed</u>	<u>General</u>	
	<u>Fund</u>	<u>Assets</u>	<u>Long-Term</u>	
			<u>Debt</u>	
<b><u>ASSETS AND OTHER DEBITS</u></b>				
Cash in Bank	\$ 46,107	-	-	\$ 46,107
Investments	30,137	-	-	30,137
Fixed Assets	-	334,033	-	334,033
Bond Retirement	-	-	40,000	40,000
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 76,244</b>	<b>\$ 334,033</b>	<b>\$ 40,000</b>	<b>\$ 450,277</b>
<b><u>LIABILITIES AND FUND EQUITY:</u></b>				
<b>LIABILITIES</b>				
Bond Indebtedness			\$ 40,000	\$ 40,000
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>
<b>FUND EQUITY</b>				
Investments in General Fixed Assets	-	\$ 334,033	-	\$ 334,033
<b>FUND BALANCE</b>				
Unreserved - Undesignated	61,234	-	-	61,234
Designated	15,010	-	-	15,010
<b>TOTAL FUND BALANCE</b>	<b>76,244</b>	<b>334,033</b>	<b>-</b>	<b>450,277</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 76,244</b>	<b>\$ 334,033</b>	<b>\$ 40,000</b>	<b>\$ 450,277</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**

**FOR THE YEAR ENDED DECEMBER 31, 2004**

**REVENUES**

West Carroll Parish Police Jury	\$ 63,502
Grant	4,162
2% Insurance Rebate	4,828
Donations	558
Interest	660
Miscellaneous	321
Total Revenues	<u>\$ 74,031</u>

**EXPENDITURES**

Current - Public Safety:	
Operating services	23,895
Material and Supplies	2,413
Utilities	3,521
Debt Service	
Bonds Payable	12,000
Interest Expense	2,760
Capital Outlay	3,048
Total Expenditures	<u>47,637</u>

**EXCESS OF EXPENDITURES OVER REVENUES** 26,394

**FUND BALANCE AT BEGINNING OF YEAR** 49,850

**FUND BALANCE AT END OF YEAR** \$ 76,244

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S COMPILATION REPORT.

**WARD 2 FIRE DISTRICT**  
**Pioneer, LA**

**STATEMENT C**

**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, 2004**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
West Carroll Parish Police Jury	\$ 63,000	\$ 63,502	\$ 502
Grant	4,000	4,162	162
2% Insurance Rebate	4,800	4,828	28
Donations	558	558	-
Interest	650	660	10
Miscellaneous	292	321	29
Total Revenues	<u>\$ 73,300</u>	<u>\$ 74,031</u>	<u>\$ 731</u>
<b>EXPENDITURES</b>			
Current - Public Safety			
Operating Services	24,350	23,895	455
Material and Supplies	2,500	2,413	87
Utilities	4,000	3,521	479
Debt Service			
Bonds Payable	12,000	12,000	-
Interest	2,760	2,760	-
Capital Outlay	3,000	3,048	(48)
Total Expenditures	<u>\$ 48,610</u>	<u>\$ 47,637</u>	<u>\$ 973</u>
<b>EXCESS OF EXPENDITURES OVER REVENUES</b>	24,690	26,394	\$ 1,704
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>49,850</u>	<u>49,850</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 74,540</u>	<u>\$ 76,244</u>	<u>\$ 1,704</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, 2004

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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 area in 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 includes:

- i. 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.
- ii. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
- iii. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not

WARD 2 FIRE DISTRICT  
Pioneer, Louisiana

Notes to the Financial Statements  
For the Year ended December 31, 2004

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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 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

WARD 2 FIRE DISTRICT  
Pioneer, Louisiana

Notes to the Financial Statements  
For the Year ended December 31, 2004

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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, 2003. 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, 2004

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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 12/31/2004.

I. FIXED ASSETS

General fixed assets are not capitalized in the fund used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures (capital outlay) in the governmental fund and the related assets are reported in the general fixed assets account group. All purchased general fixed assets are valued at historical cost. Donated fixed assets are recorded at their fair market value on the date of the donation. Approximately 99 per cent of general fixed assets are valued at actual cost while the remaining 1 percent are valued at estimated cost, based on the actual historical cost of like items.

J. COMPENSATED ABSENCES

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

K. LONG-TERM DEBT

Long-term debt expected to be financed from governmental funds are reported in the general long-term debt account group. In April 1997 the Ward 2 Fire District issued a \$110,000 bond certificate. The proceeds of the bond were to provide equipment and buildings for the district. The bond was a privately placed bond. The district established a sinking fund into which they pay the amount of \$1300.00 per month. The bond calls

WARD 2 FIRE DISTRICT  
Pioneer, Louisiana

Notes to the Financial Statements  
For the Year ended December 31, 2004

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for interest to be paid every six months and the principal to be paid annually. The bond has a 6% interest rate and is amortized over a ten-year period. The payment on this bond is current as of December 31, 2004. The details of payments and balances are outlined in Note 5 BONDS PAYABLE.

L. FUND EQUITY

Reserves

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

Designated Fund Balances

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

M. SALES TAXES

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.

N. 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.

O. 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.

WARD 2 FIRE DISTRICT  
Pioneer, Louisiana

Notes to the Financial Statements  
For the Year ended December 31, 2004

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, 2004 of \$46,107. 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 with the AmSouth Bank in Delhi, Louisiana in the amount of \$15,008 and with the Commercial Capital Bank in Delhi, Louisiana in the amount of \$15,129. Each account is insured by the FDIC in the amount of \$100,000.

NOTE 4. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance December 31, 2003	Additions	Deletions	Balance December 31, 2004
Fixed Assets	330,985	3048	0	334,033
Total	333,985	3048	0	334,033

NOTE 5. BONDS PAYABLE

The district records one item in the “Combined Balance Sheet – Statement A” under “Assets - Bond Retirement” and as an obligation under “Liabilities - Bond Indebtedness” and in the “General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances – Statement B” as “Debt Service - Bonds Payable.” The origin of the bond indebtedness is outlined in NOTE 1.K LONG-TERM DEBT. Bond obligations are retired from the General Fund. The following is a summary of future minimum bond payments, together with the total outstanding principal and interest payments, as of December 31, 2004:

2005	15,010
2006	14,230
2007	14,420
TOTAL LONG TERM BOND PAYMENTS	43,660
Less amount representing interest	(3,660)
Total balance due @ December 31, 2004	40,000

WARD 2 FIRE DISTRICT  
Pioneer, Louisiana

Notes to the Financial Statements  
For the Year ended December 31, 2004

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NOTE 6. RELATED PARTY TRANSACTIONS

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

NOTE 7. LITIGATION AND CLAIMS

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

NOTE 8. 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, 2004

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:

Dan Reiter – President  
P. O. Box 143  
Pioneer, LA 71266  
318/428-2151

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

Mike Henderson – Asst. Fire Chief  
P. O. Box 64  
Pioneer, LA 71266  
318/428-8965

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

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

## **LOUISIANA ATTESTATION QUESTIONNAIRE**

The accompanying *Louisiana Attestation Questionnaire* has been completed by management and is included in this report as required by the questionnaire.

**WARD 2 FIRE DISTRICT  
P. O. BOX 176  
PIONEER, LA 71226**

March 18, 2005

Jimmie Self, CPA. APAC  
2908 Cameron Street  
Monroe, LA 71201

Dear Ms. Self,

In connection with your review of our financial statements as of **DECEMBER 31, 2004** and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of **DECEMBER 31, 2004**.

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [] No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [] No [ ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [] No [ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [] No [ ]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [] No [ ]

**Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes  No [ ]

**Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes  No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

\_\_\_\_\_ Secretary \_\_\_\_\_ Date

\_\_\_\_\_ Treasurer \_\_\_\_\_ Date

*J. Ambiguas* \_\_\_\_\_ President *3-18-05* \_\_\_\_\_ Date