

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

FINANCIAL REPORT  
(Compiled)

December 31, 2010

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 4/27/11

**HILL, INZINA & COMPANY**

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Certified Public Accountants • A Professional Corporation  
701 East Madison Avenue • Bastrop, Louisiana 71220  
Telephone 318-281-4492 • Fax 318-281-4087 • E-mail hillinzina@bellsouth.net

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# HILL, INZINA & COMPANY

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## ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners  
Ward 2 Fire Protection District No. 1  
of Morehouse Parish, Louisiana  
Bastrop, Louisiana

We have compiled the accompanying financial statements of the governmental activities and each major fund of Ward 2 Fire Protection District No. 1 of Morehouse Parish, Louisiana (the "District") (a component unit of Morehouse Parish), as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the District's management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The budgetary comparison information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board (GASB). We have compiled the supplementary information from information that is the representation of management of the District, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Management of the District has not presented the management's discussion and analysis information that the GASB has determined is required to supplement, although not required to be a part of, the basic financial statements.

The District's management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Ward 2 Fire Protection District No. 1 of Morehouse Parish, Louisiana.

*/s/Hill, Inzina & Co.*

March 10, 2011

**BASIC FINANCIAL STATEMENTS**

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES - GENERAL FUND  
December 31, 2010

ASSETS

Cash	\$ 13,735
Certificates of deposit	64,867
Ad valorem taxes receivable	73,377
Capital assets:	
Land	5,210
Other capital assets, net of depreciation	<u>244,590</u>
 Total assets	 <u>\$ 401,779</u>

LIABILITIES

Deferred revenue	\$ 73,377
Long-term liabilities:	
Due within one year	<u>22,157</u>
Total liabilities	<u>\$ 95,534</u>

NET ASSETS

Invested in capital assets	\$ 249,800
Unrestricted and undesignated	<u>56,445</u>
Total net assets	<u>\$ 306,245</u>
 Total liabilities and net assets	 <u>\$ 401,779</u>

See accountant's compilation report.

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES - GENERAL FUND  
As of and for the Year Ended December 31, 2010

Expenses:	
Current:	
Public safety:	
Depreciation	\$ 29,400
Insurance and surety bond premiums	15,536
Legal and accounting	2,797
Maintenance and operations	22,959
Office supplies	1,387
Pension cost	2,309
Telephone	4,155
Training	595
Utilities	2,262
Debt service:	
Interest	2,332
Total expenses	<u>\$ 83,732</u>
General revenues:	
Ad valorem taxes	\$ 71,340
Fire insurance rebate	4,358
Refuge revenue sharing	7,459
Interest	1,140
Special item:	
Loss on disposition of capital asset	( 853)
Total general revenues and special item	<u>\$ 83,444</u>
Change in net assets	\$( 288)
Net assets - beginning	<u>306,533</u>
Net assets - ending	<u>\$ 306,245</u>

See accountant's compilation report.

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUND - GENERAL FUND  
December 31, 2010

ASSETS

Cash	\$	13,735
Certificates of deposit		64,867
Ad valorem taxes receivable		<u>73,377</u>
Total assets	\$	<u>151,979</u>

LIABILITIES

Deferred revenue	\$	<u>73,377</u>
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FUND BALANCE

Designated for subsequent year's expenditures	\$	73,377
Unreserved and undesignated (deficit)		<u>5,225</u>
Total fund balance	\$	<u>78,602</u>
Total liabilities and fund balance	\$	<u>151,979</u>

See accountant's compilation report.



WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUND - GENERAL FUND  
As of and for the Year Ended December 31, 2010

Revenues:	
Ad valorem taxes	\$ 71,340
Fire insurance rebate	4,358
Refuge revenue sharing	7,459
Interest	1,140
Total revenues	<u>\$ 84,297</u>
Expenditures:	
Current:	
Public safety:	
Insurance and surety bond premiums	\$ 15,536
Legal and accounting	2,797
Maintenance and operations	22,959
Office supplies	1,387
Pension cost	2,309
Telephone	4,155
Training	595
Utilities	2,262
Debt service:	
Principal	21,022
Interest	2,332
Total expenditures	<u>\$ 75,354</u>
Net change in fund balance	\$ 8,943
Fund balance - beginning	<u>69,659</u>
Fund balance - ending	<u><u>\$ 78,602</u></u>

See accountant's compilation report.

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET  
TO GOVERNMENT-WIDE STATEMENT OF NET ASSETS  
December 31, 2010

Total fund balance - governmental fund balance sheet	\$ 78,602
Amounts reported for governmental activities in statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.	249,800
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>( 22,157)</u>
Total net assets of governmental activities - government-wide statement of net assets	<u>\$ 306,245</u>

See accountant's compilation report.

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

RECONCILIATION OF GOVERNMENTAL FUND STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE TO  
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
December 31, 2010

Net change in fund balance - governmental fund - general fund	\$ 8,943
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Amounts reported for governmental activities in statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of depreciation expense for the current period.	( 29,400)
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In the statement of activities, the net loss on the disposition of a capital asset (\$853) is reported. The change in net assets differs from the change in fund balance by the undepreciated cost of the disposed capital asset.	( 853)
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Governmental funds report principal and interest payments on long-term obligations as an expense when actually paid. However, in the statement of activities, interest is also expensed as paid but principal payments are reported as reductions of the related debt. This is the amount related to these reporting differences.	<u>21,022</u>
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Change in net assets of governmental activities - government-wide statement of activities	<u>\$( 288)</u>
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See accountant's compilation report.

REQUIRED SUPPLEMENTARY INFORMATION

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GOVERNMENTAL FUND - GENERAL FUND

As of and for the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget - Favorable <u>(Unfavorable)</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 65,392	\$ 74,548	\$ 71,340	\$( 3,208)
Fire insurance rebate	4,357	6,299	4,358	( 1,941)
Refuge revenue sharing	-	-	7,459	7,459
Interest	<u>1,100</u>	<u>1,140</u>	<u>1,140</u>	<u>-</u>
Total revenues	<u>\$ 70,849</u>	<u>\$ 81,987</u>	<u>\$ 84,297</u>	<u>\$ 2,310</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Public safety:</b>				
Insurance and surety bond premiums	\$ 15,478	\$ 15,536	\$ 15,536	\$ -
Legal and accounting	3,027	2,797	2,797	-
Maintenance and operations	15,154	21,929	22,959	( 1,030)
Office supplies	1,465	2,057	1,387	1,120
Pension cost	2,500	-	2,309	( 2,309)
Supplies	300	-	-	-
Telephone	-	-	4,155	( 4,155)
Training	400	595	595	-
Utilities	6,642	6,444	2,262	4,182
<b>Debt service:</b>				
Principal	-	-	21,022	( 21,022)
Interest	-	-	2,332	( 2,332)
Capital outlay	<u>22,000</u>	<u>23,353</u>	<u>-</u>	<u>23,353</u>
Total expenditures	<u>\$ 66,966</u>	<u>\$ 73,161</u>	<u>\$ 75,354</u>	<u>\$( 2,193)</u>

(continued)

WARD 2 FIRE PROTECTION DISTRICT NO. 1  
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SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GOVERNMENTAL FUND - GENERAL FUND (Continued)  
As of and for the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Net change in fund balance	\$ 3,883	\$ 8,826	\$ 8,943	\$ 117
Fund balance - beginning	<u>94,711</u>	<u>65,324</u>	<u>69,659</u>	<u>4,335</u>
Fund balance - ending	<u>\$ 98,594</u>	<u>\$ 74,150</u>	<u>\$ 78,602</u>	<u>\$ 4,452</u>

See accountant's compilation report.

WARD TWO FIRE PROTECTION DISTRICT NO. 1  
OF MOREHOUSE PARISH, LOUISIANA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended December 31, 2010

Section I - Compilation

2009-1 Noncompliance with Local Government Budget Act

The Local Government Budget Act requires that proposed expenditures should not exceed estimated funds to be available during the period.

Resolved.

Section II - Management Letter

None issued.