

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

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 AUG 15 2012

**BATES, MURRAY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS**

**612 Barksdale Blvd.
Bossier City, Louisiana 71111**

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
December 31, 2011**

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Bates, Murray & Company LLC

A FIRM OF CERTIFIED PUBLIC ACCOUNTANTS

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To The Board of Commissioners
Bossier Parish Fire Protection District # 7
Plain Dealing, Louisiana

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying financial statements of the governmental activities of the Bossier Parish Fire Protection District #7 of Plain Dealing, LA, a component of the Bossier Parish Police Jury, as of and for the year ended December 31, 2011, which comprises the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of Bossier Parish Protection District #7. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Bossier Parish Fire Protection District #7 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 review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted the United States of America.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or provide any assurance on the supplementary information.

Bates, Murray & Company LLC
June 10, 2012

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
P.O. BOX 420
PLAIN DEALING, LOUISIANA 71064

MANAGEMENT'S DISCUSSION AND ANALYSIS

My discussion of the Bossier Parish Fire Protection District No. 7's annual financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2011. Please read it in conjunction with the District's financial statements, which follow this section.

The District is located at 718 West Palmetto Street in Plain Dealing, Louisiana. The District operates primarily with volunteers and three full-time employees.

FINANCIAL HIGHLIGHTS

Increases in ad valorem tax revenues over the past two years have allowed the district to purchase another fire truck in 2011, adding to the District's ability to provide fire protection services.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional required supplementary information (budgetary schedules) in addition to the basic financial statements. These components are described below:

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the District - the **Government-wide Financial Statements** and the **Fund Financial Statements**. These financial statements also include the **Notes to the Financial Statements** that explain some of the information in the financial statements and provide additional detail.

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2011**

Government-wide Financial Statements

The government-wide financial statements provide a broad view of the District's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the District's financial position, which assists users in assessing the District's economic condition at the end of the year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting similar to methods used by most businesses. These statements report all revenues and expenses connected with the year even if cash has not been received or paid. The government wide financial statements include two statements:

The *statement of net assets* presents all of the District's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the District's net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues (such as uncollected property taxes) and some expenses that are reported in this statement will not result in cash flows until future years.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds financial statements. The services provided by the District are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements.

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2011**

Fund Financial Statements (continued)

These statements provide a detailed short-term view of the District's finances and assist in determining whether there will be adequate financial resources available to meet the current needs of the District.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, users may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental financial statement.

The District has two governmental funds; both are considered major funds for presentation purposes. That is, each major fund is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The District's two governmental funds are: the General Fund and the Capital Projects Fund.

FINANCIAL ANALYSIS OF THE ENTITY

		Statement of Net Assets As of Year End	
		<u>Governmental Activities</u>	
		<u>2011</u>	<u>2010</u>
Current and other assets		\$ 596,606	\$ 628,561
Capital assets, net		804,568	583,515
Total Assets		<u>\$ 1,401,174</u>	<u>\$ 1,212,076</u>
Other liabilities		\$ 11,998	\$ 9,653
Long-term liabilities		0	0
Total Liabilities		<u>11,998</u>	<u>9,653</u>
Net assets			
Investment in capital assets, net of related debt		804,568	583,515
Restricted		0	0
Unrestricted		<u>584,608</u>	<u>618,908</u>
Total Net Assets		<u>1,389,176</u>	<u>1,202,423</u>
Total Liabilities and Net Assets		<u>\$ 1,401,174</u>	<u>\$ 1,212,076</u>

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
December 31, 2011**

FINANCIAL ANALYSIS OF THE ENTITY (CONTINUED)

	Statement of Activities For the Year Ended	
	Governmental Activities	
	<u>2011</u>	<u>2010</u>
General government Expenses	\$ (201,914)	\$ (249,248)
Program revenues		
Charges for services	0	0
Operating and capital grants and contributions	<u>0</u>	<u>0</u>
Subtotal	(201,914)	(249,248)
General revenues and transfers	<u>388,667</u>	<u>393,061</u>
Change in net assets	\$ <u>186,753</u>	\$ <u>143,813</u>

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

	Capital Assets at Year End (Net of Depreciation)	
	Governmental Activities	
	<u>2011</u>	<u>2010</u>
Land	\$ 1,500	\$ 1,500
Buildings and other improvements	101,625	116,929
Equipment	<u>701,443</u>	<u>465,086</u>
Total	\$ <u>804,568</u>	\$ <u>583,515</u>

The following is the additions and retirements for the District as of December 31, 2011:

This year's major additions included:

	Governmental Activities
Land	\$ 0
Buildings	0
Equipment	<u>294,059</u>
Total	\$ <u>294,059</u>

This year's major retirements included:

None.

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
DECEMBER 31, 2011**

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Debt

The District had no long-term liabilities payable for Governmental Activities outstanding at year end for the current year or previous year.

New debt during the year included:

None

GENERAL FUND BUDGET

The District adopted a budget for its General Fund for the year ended December 31, 2011. The original budget was amended in November, 2011. A schedule of the District's budgetary comparison is presented as required supplementary information as shown in the table of contents.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District's appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Ad valorem taxes
- 2) Intergovernmental revenues (state and local grants)

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Bossier Parish Fire Protection District No. 7's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jackie Byrd, President of the Board of Commissioners by telephone at (318) 326-4867 or 718 West Palmetto Street, Plain Dealing, Louisiana 71064.

BASIC FINANCIAL STATEMENTS

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
STATEMENT OF NET ASSETS
December 31, 2011**

ASSETS**Current Assets**

Cash And Cash Equivalents	\$ 135,492
Investments	101,473
Receivables	<u>359,641</u>
Total Current Assets	<u>596,606</u>

Noncurrent Assets

Capital assets, net	<u>804,568</u>
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Total Assets	<u>1,401,174</u>
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LIABILITIES**Current Liabilities**

Current portion of long-term debt	0
Accounts payable and accruals	<u>11,998</u>
Total Current Liabilities	<u>11,998</u>

Noncurrent Liabilities

Long-term debt, net of current portion	<u>0</u>
Total Noncurrent liabilities	<u>0</u>

Total Liabilities	<u>11,998</u>
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NET ASSETS

Investment in capital assets, net of related debt	804,568
Restricted	0
Unrestricted	<u>584,608</u>

Total Net Assets	\$ <u>1,389,176</u>
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EXHIBIT B

BOSSIER PARISH FIRE PROTECTION DISTRICT NO.7
 PLAIN DEALING, LOUISIANA
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u>
Functions/Programs					
Governmental Activities					
Public Safety-Fire Protection	\$ 128,908	\$ 0	\$ 0	\$ 0	\$ (128,908)
Depreciation	<u>73,006</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(73,006)</u>
Total Governmental Activities	\$ <u>201,914</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	<u>(201,914)</u>
 General Revenues					
Ad Valorem Taxes					370,750
Fire Insurance Rebate					8,855
Interest income					1,118
Miscellaneous					<u>7,944</u>
Total General Revenues					<u>388,667</u>
 Change in Net Assets					
Net Assets, Beginning of year					<u>1,202,423</u>
Net Assets, End of year					\$ <u>1,389,176</u>

See accompanying notes and accountant's report.

EXHIBIT C**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2011**

	<u>General Fund</u>
ASSETS	
Cash & Cash Equivalents	\$ 135,492
Ad valorem taxes receivable	359,641
Investments	<u>101,473</u>
Total Assets	\$ <u>596,606</u>
LIABILITIES, EQUITY AND OTHER CREDITS	
Liabilities:	
Accounts payable and accruals	\$ 4,012
Deferred revenue	<u>7,986</u>
Total Current Liabilities	<u>11,998</u>
Fund equity and other credits:	
Fund Balance-	
Unrestricted-unassigned	<u>584,608</u>
Total fund equity and other credits	<u>584,608</u>
Total liabilities, fund equity And other credits	\$ <u>596,606</u>

See accompanying notes and accountant's report.

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
December 31, 2011**

Total Fund Balances for Governmental Funds (Exhibit C)	\$	584,608
Total Net Assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$	1,500
Buildings and other improvements, net of \$42,727 in accumulated depreciation		101,625
Equipment, furniture, and fixtures, net of \$417,678 in accumulated depreciation		<u>701,443</u>
Total Capital Assets		804,568
Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund liabilities. Those liabilities consist of:		
Long-term debt	<u>0</u>	<u>0</u>
Total Long-term Liabilities		0
Total Net Assets of Governmental Activities (Exhibit A)	\$	<u>1,389,176</u>

See accompanying notes and accountant's report

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	GENERAL FUND	CAPITAL PROJECTS FUND	TOTAL
REVENUES			
Ad Valorem Taxes	\$ 370,750	\$ 0	\$ 370,750
Donations of Assets	0	0	0
Interest	1,118	0	1,118
State Supplemental Pay	2,500	0	2,500
Fire Insurance Rebate	8,855	0	8,855
Other Revenues	5,444	0	5,444
Total revenues	388,667	0	388,667
EXPENDITURES			
Fuel & Oil	9,448	0	9,448
Salaries	32,780	0	32,780
Taxes	2,508	0	2,508
Per Diem	8,028	0	8,028
Collections Expense	12,129	0	12,129
Insurance	19,858	0	19,858
Repairs and Maintenance	15,170	0	15,170
Office	2,185	0	2,185
Professional Fees	4,625	0	4,625
Supplies	8,438	0	8,438
Utilities	5,107	0	5,107
Telephone	1,151	0	1,151
Training	4,503	0	4,503
Capital Outlays	294,059	0	294,059
Miscellaneous	2,978	0	2,978
Total Expenditures	422,967	0	422,967
Excess (deficiency) of revenues over expenditures	(34,300)	0	(34,300)
Other financing sources (uses)			
Operating transfers in	0	0	0
Operating transfers out	0	0	0
Net other financing sources (uses)	0	0	0
Change in Fund Balances	(34,300)	0	(34,300)
FUND BALANCE AT BEGINNING OF YEAR	618,908	0	618,908
FUND BALANCE AT END OF YEAR	\$ 584,608	\$ 0	\$ 584,608

See accompanying notes and accountant's report.

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

Change in Fund Balances-Total Governmental Funds (Exhibit E) \$ (34,300)

The change in Net Assets reported for governmental activities in the statement of activities is 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 and reported as depreciation expense. This is the amount by which capital outlays (\$294,059) exceeds depreciation (\$73,006) in the current period.

221,053

Change in Net Assets of Governmental Activities (Exhibit B) \$ 186,753

See accompanying notes and accountant's report.

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011**

The Bossier Parish Fire Protection District No. 7 ("the District") was created by the Bossier Parish Police Jury by ordinance as provided under the Louisiana Revised Statutes. The District is comprised of property in North Bossier Parish and is governed by a board of commissioners, who are appointed by the Bossier Parish Police Jury. The Board of Commissioners received no compensation during 2011. The District constitutes a political subdivision of the State of Louisiana. The purpose of the District is to provide fire protection and emergency services to the residents of the District.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying financial statements of the District have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

B. Reporting Entity

The District is a component unit of the Bossier Parish Police Jury, the financial reporting entity. The Police Jury is financially accountable for the District because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them.

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. Government - Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets, Exhibit A, and the Statement of Activities, Exhibit B) report information on all of the nonfiduciary activities of the District. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District consists of one program, fire protection and emergency services.

Governmental fund financial statements are provided for the District. The District consists of two governmental funds.

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Accounting- In accordance with Governmental Accounting Standards Board Statement No. 34, the District has presented a Statement of Net Assets and a Statement of Activities for the District as a whole. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Policies specific to the government-wide statements are as follows:

Eliminating Internal Activity - Interfund receivables and payables are eliminated in the Statement of Net Assets.

Application of FASB Statements and Interpretations - Reporting on governmental type and business-type activities are based on FASB Statements and Interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Capitalizing Assets - Tangible or intangible assets used in operations with an initial useful life that extends beyond one year are capitalized. Equipment, furniture and fixtures, and buildings are recorded at their historical costs and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Assets.

Program Revenues - The Statement of Activities presents two categories of program revenues - (1) charges for services; and (2) operating grants and contributions.

Charges for services are those revenues arising from exchange or exchange like transactions with external parties that purchase, use or directly benefit from the program's goods, services or privileges. Service charges (structure fees) are reported as charges for services.

Operating grants and contributions, whether operating or capital in nature, are revenues arising from receipts that are restricted for operating purposes of a program.

Restricted Net Assets - Restricted net assets are those for which a constraint has been imposed either externally or by law. Resources restricted for a specific purpose are exhausted before unrestricted net assets are used.

Unrestricted Net Assets - This category represents net assets not appropriate for expenditures or legally segregated for a specific future use.

Government-Wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government Fund Financial Statements - The Governmental financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Principal revenue sources considered as susceptible to accrual include property taxes, service fees, and interest on investments. Other revenues are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Fund Accounting

The financial activities of the District are recorded in individual funds, each of which is deemed to be a separate accounting entity. The District uses fund accounting 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.

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including collection and disbursement of specific or legally restricted monies, and the acquisition, construction or improvement of capital assets. Governmental funds of the District include:

General Fund - the general operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.

Capital Projects Fund - accounts for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

Budgeting and Budgetary Control

A budget for the ensuing year is prepared by the fire chief and approved by the board of commissioners prior to December 31st of each year. The proposed budget is prepared on a cash basis of accounting that is a comprehensive basis of accounting other than Generally Accepted Accounting Principles (GAAP). The budget is legally adopted and amended, as necessary, by the board of commissioners. The board reserves all authority to make changes to the budgets. Unexpended appropriations lapse at year end and must be re-appropriated in the next year's budget to be expanded.

Formal integration of the budget into the accounting records is employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget. The budget was amended in November, 2011. See "Schedule 1".

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District's investment policy. If the original maturities of time deposits exceed 90 days, they are classified as investments. In accordance with GASB Statement No. 31, investments are recorded at fair value with the corresponding increase or decrease reported as investment earnings.

Use of Estimates

The preparation of financial statements generally requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Capital Assets

The District's assets are recorded at historical cost. Capital assets are recorded as expenditures in the governmental fund financial statements. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are charged to expense as incurred. Depreciation expense is recorded in the government-wide financial statements using the straight-line method over the useful lives of the assets. All assets of the District are reported in the accompanying financial statements.

Long-term Obligations

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability reported on the Statement of Net Assets. In the fund financial statements, debt principal payments of the governmental funds are recognized as expenditures when paid.

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Accounts receivable in all funds report amounts that have arisen in the ordinary course of business and are stated net of allowances for uncollectible accounts.

Governmental fund type receivables consist primarily of amounts due for property taxes and charges for services.

Deferred Revenue

Deferred revenues at the fund level arise when potential revenue does not meet the available criterion for recognition in the current period. Available is defined as due (or past due) at December 31, and collected within 60 days thereafter to pay obligations due at December 31.

Net Assets/Fund Balances

In the Statement of Net Assets, the differences between a government's assets and liabilities are recorded as net assets. The three components of net assets are as follows:

Invested in Capital Assets, Net of Related Debt - This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowing attributable to the acquisition, construction or improvement of capital assets.

Restricted Net Assets - This category represents net assets not appropriable for expenditures or legally segregated for a specific future use.

Unrestricted Net Assets - All other net assets that do not meet the definition of the aforementioned.

In the Balance Sheet of governmental funds, fund balances are segregated as follows:

Nonspendable— Represents the amount that is not in a spendable form or is required to be maintained intact.

Restricted— Represents the amount that has been constrained to specific purposes by their providers, through constitutional provisions, or by enabling legislation.

Committed— Represents the amount constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned— Represents the amount a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates that authority.

Unassigned — Represents the amount that is available for any purpose; these amounts are reported only in the general fund.

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(CONTINUED)**

NOTE 2 CASH AND CASH EQUIVALENTS

At December 31, 2011, the District had cash and cash equivalents (book balances) totaling \$135,492.

These deposits are stated at cost, which approximates market. Under state law, these deposits 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 deposits 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 that is mutually acceptable to both parties. At December 31, 2011, the District had \$135,492 in deposits that were fully secured from risk by federal deposit insurance.

NOTE 3 INVESTMENTS

As of December 31, 2011, the District had investments of \$101,473 in a Certificate of Deposit with a renewal term of 6 months.

NOTE 4 AD VALOREM TAXES

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

	<u>Authorized Millage</u>	<u>Levied Millage</u>
Operating	23.9	23.9

NOTE 5 ACCOUNTS RECEIVABLE

General fund receivables as of December 31, 2011 consisted of ad valorem taxes receivable of \$359,641.

NOTE 6 CAPITAL ASSETS

A summary of the District's capital assets at December 31, 2011 follows:

	<u>Balance Dec. 31, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance Dec. 31, 2011</u>
Governmental Activities				
Capital Assets, not being depreciated				
Land	\$ 1,500	\$ 0	\$ 0	\$ 1,500
Total Capital Assets, not being depreciated	1,500	0	0	1,500
Capital Assets, being depreciated				
Buildings and other improvements	144,352	0	0	144,352
Less accumulated depreciation	(36,953)	(5,774)	0	(42,727)
Total Buildings and Building Improvements	107,399	(5,774)	0	101,625
Equipment, furniture and fixtures	825,062	294,059	0	1,119,121
Less accumulated depreciation	(350,447)	(67,231)	0	(417,678)
Total Equipment, Furniture and Fixtures	474,615	226,828	0	701,443
Total Capital Assets, being depreciated	582,014	221,054	0	803,068
Total Capital Assets, net	\$ 583,514	221,054	0	\$ 804,568

BOSSIER PARISH FIRE PROTECTION DISTRICT NO.7
PLAIN DEALING, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(CONTINUED)

NOTE 7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities at December 31, 2011, were follows:

Accounts payable	\$ 875
Accrued liabilities:	
Payroll Withholding	<u>3,137</u>
Total	<u>\$ 4,012</u>

NOTE 8 LONG TERM OBLIGATIONS

The District had no long term obligations as of December 31, 2011.

NOTE 9 RISK MANAGEMENT

The District purchases commercial insurance to provide general liability and property insurance.

NOTE 10 LEASES

For the year ended December 31, 2011, the District had no operating leases.

NOTE 11 ON-BEHALF PAYMENTS

Qualified employees received a total \$2,500 in fire supplemental pay from the State of Louisiana. The District is responsible for withholding taxes from these employees and paying the District's matching portion of social security taxes for the amount of additional pay received. The District must recognize this pay received by the employees as revenue and expenditures of the District.

ADDITIONAL REQUIRED SUPPLEMENTAL INFORMATION

BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
GOVERNMENTAL FUND TYPE - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (CASH BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Ad Valorem Taxes, Net of Collections Expense	\$ 290,000	\$ 350,490	\$ 358,621	\$ 8,131
Interest	0	0	1,118	1,118
Fire Insurance Rebate	9,500	8,855	8,855	0
Other Revenues	0	0	7,944	7,944
Total revenues	299,500	359,345	376,538	17,193
EXPENDITURES				
Fuel & Oil	5,000	9,500	9,448	52
Insurance	18,000	18,000	19,858	(1,858)
Computer Expense	625	1,240	1,240	0
Office	600	450	433	17
Postage and Box Rent	100	100	145	(45)
Professional Fees	5,200	5,000	4,625	375
Supplies, Repairs, & Maintenance	10,800	14,200	23,608	(9,408)
Equipment	15,000	291,000	294,059	(3,059)
Utilities	4,500	5,900	5,107	793
Salaries	20,000	23,000	32,780	(9,780)
Payroll Taxes	0	8,000	2,508	5,492
Telephone	1,300	1,200	1,151	49
Training	1,000	4,900	4,503	397
Per Diem for Volunteers	8,000	8,000	8,028	(28)
Printing & Publishing	300	500	368	132
Miscellaneous	2,000	2,900	2,977	(77)
Total Expenditures	92,425	393,890	410,838	(16,948)
Excess (Deficiency) of Revenues Over Expenditures	207,075	(34,545)	(34,300)	245
Other Financing Sources (Uses)				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
Net Other Financing Sources (Uses)	0	0	0	0
EXCESS REVENUES OVER EXPENDITURES	207,075	(34,545)	(34,300)	245
FUND BALANCE AT BEGINNING OF YEAR	618,908	618,908	618,908	
FUND BALANCE AT END OF YEAR	\$ 825,983	\$ 584,363	\$ 584,608	

Required Supplemental Information. See Accountant's Report.

OTHER SUPPLEMENTAL INFORMATION

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO MEMBERS OF THE BOARD OF COMMISSIONERS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Compensation Paid to Board Members

No compensation was paid to any members of the Board of Commissioners. The following list of elected members for 2011 is included in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

<u>Members</u>	<u>Compensation</u>
Jackie Byrd	\$ 0
Dennis Hays	0
Eddie Mae Scott	0
Joy Rhodes	0
Gary Lyles	<u>0</u>
Total	\$ <u>0</u>

See Accountant's Report. Supplemental Information. Presented as additional analytical data.

**BOSSIER PARISH FIRE PROTECTION DISTRICT NO. 7
PLAIN DEALING, LOUISIANA
SCHEDULES OF CURRENT AND PRIOR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011**

SCHEDULE 3

SCHEDULE OF CURRENT FINDINGS

There are no current findings or management letter comments for the current year ended December 31, 2011.

SCHEDULE 4

SCHEDULE OF PRIOR FINDINGS

There were no prior findings or management letter comments for the prior year ended December 31, 2010

OTHER REPORTS

Bates, Murray & Company LLC

A FIRM OF CERTIFIED PUBLIC ACCOUNTANTS

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Independent Accountant's Report on Applying Agreed Upon Procedures

To The Board of Commissioners
Bossier Parish Fire Protection District No. 7
Plain Dealing, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Bossier Parish Fire Protection District #7 Plain Dealing, Louisiana and the Legislative Auditor, State of Louisiana to assist the users in evaluating management's assertions about Bossier Parish Fire Protection District #7's compliance with certain laws and regulations during the year ended December 31, 2011 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The Bossier Parish Fire Protection District #7 made one expenditure during the year for materials and supplies exceeding \$20,000 or public works exceeding \$100,000. The purchase of the new fire truck was in accordance with LSA-RS 38:2211-2251.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list which includes three employees.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees are considered a "related party".

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and all amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of the regular meeting held in November, 2010 that stated the budget had been adopted by the board of Bossier Parish Fire Protection District #7. The original budget was amended in November, 2011.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. The budget is prepared using the cash basis and falls within the 5 % parameters.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the appropriate board members. In addition, each of the disbursements were traced to the District's minute book where they were approved by the Board of Commissioners.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The District is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

The District has three employees. The minutes of the District for the year indicated no approval for any payments for bonuses, advances, or gifts. We examined the District's payroll records for the year and note no instances which would indicate payments to anyone which would constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

Our prior year review report, dated June 9, 2011 did not include any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Bossier Parish Fire Protection District #7 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bates, Munnig Company LLC

June 10, 2012

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

May 14, 2012 (Date Transmitted)

Bossier Parish Fire Protection District Number 7

Bates, Murray & Company LLC (Auditors)

In connection with your review of our financial statements as of December 31, 2011 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 May 14, 2012.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the 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 R.S. 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 R.S. 42:1118.
Yes No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.
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 R.S. 44:1, 44:7, 44:31, and 44:36.
Yes No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.
Yes No []

We have had our financial statements reviewed in accordance with R.S. 24:513.
Yes No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

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 R.S. 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, R.S. 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 that may occur subsequent to the issuance of your report.

May 21, 2012 Secretary Eddie Max Scott
 Date
May 21, 2012 Treasurer Jay A. Rhodes
 Date
May 21, 2012 President Jack B. [Signature]
 Date