



Salem Fire Department
 1785 Salem Road
 Benton, Arkansas 72019
 Phone 501-794-2707
 Fax 501-794-1362
salemfire@sbcgolabal.net

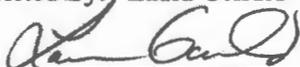
Annual Taxpayer Transparency Improvement District Report

1. Name of recorded district Salem Fire Department Formation Statue 14-184-101
2. Purpose of the district- to provide fire protection and EMS service to district.
3. Contracts-Obligations (Contractor's business name and phone number
David Koopmann- Mowing contract
4. Current indebtedness & Bond indebtedness (per most recent records)

Name of Payee	Amount Owed	Payoff/Maturity Date
<u>Community Leasing</u>	<u>\$524,390.00</u>	<u>11/20/29</u>
5. Outstanding # of Delinquent Assessments/Responsible Delinquent Collector
 # Of Parcels 55 \$ Total \$907.45 Delinquent Collector: Saline County Collector
6. District Commissioners

Wesley Barnett	367 Paw Paw Trail	Benton, AR 72019	316-2044
Jill Moravec	1211 Pine Forest Drive	Benton, AR 72019	249-2066
Ronnie Courtney	2790 Pebble Lake	Benton, AR 72019	860-5071
Floyd Masoner	1950 Mulberry Salem	Benton, AR 72019	316-2560
Harold Edmondson	7698 Zuber Road	Benton, AR 72019	658-6037
7. Annual Meeting: 2nd Monday of February Time: 7 P.M. Location: Station One
8. District Assessor (Administrator) Name Laura Gerrald Phone 794-2707
9. Payee for Distribution from County Treasurer Name Salem Fire Department
 Phone 794-2707
10. Delinquent Penalty (%) & Cost (\$) charges to property owner 10 % + \$ 5.00
11. Method used to Calculate Assessments (Flat Fee; Per Acre, Per Structure, etc.)
Flat fee per Residence, Per acre without Residence, Per Business, Per Multiplex
12. Statement of Income and Expenditure Activity: (Attachments Balance Sheet/ Bank Statements) Annual Audit

Completed By: Laura Gerrald



Date 3-26-15

1:52 PM

03/26/15

Cash Basis

SALEM FIRE DEPARTMENT
Balance Sheet
As of March 26, 2015

	<u>Mar 26, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · First Security	2,809.38
1102 · Equipment/ Rescue Fund /FSB	201,421.86
1151 · Capital Improvement Fund	20,252.23
1153 · Simmons MM	30,847.42
1156 · Arvest Bank	30,442.39
1178 · Simmons CD	50,442.60
Total Checking/Savings	<u>336,215.88</u>
Other Current Assets	
12100 · Inventory Asset	1,020.00
Total Other Current Assets	<u>1,020.00</u>
Total Current Assets	337,235.88
Fixed Assets	
1201 · LAND	44,134.00
1210 · BUILDING & DRIVEWAY	232,729.24
1220 · VEHICLES	1,024,223.05
1230 · VEHICLES - RESCUE	147,436.00
1240 · CAPITALIZED EQUIPMENT	21,314.89
1250 · COMMUNICATIONS EQUIPMENT	42,621.83
1260 · FIREFIGHTING EQUIPMENT	313,206.86
1270 · RESCUE EQUIPMENT	93,676.22
1300 · ACCU DEPR FIRE	-1,124,383.27
1310 · ACCU DEPR RESCUE EQUIP	-127,950.54
Total Fixed Assets	<u>667,008.28</u>
Other Assets	
1400 · UTILITY DEPOSITS	103.00
Total Other Assets	<u>103.00</u>
TOTAL ASSETS	<u><u>1,004,347.16</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 · Payroll Liabilities	-57.23
Total Other Current Liabilities	<u>-57.23</u>
Total Current Liabilities	-57.23
Long Term Liabilities	
2110 · N/P-Vehicle	90,837.55
Total Long Term Liabilities	<u>90,837.55</u>
Total Liabilities	90,780.32
Equity	
3000 · Opening Bal Equity	250,588.92
3900 · Retained Earnings	770,119.14
Net Income	-107,141.22
Total Equity	<u>913,566.84</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,004,347.16</u></u>

Salem Fire Department
 Statements of Assets, Liabilities
 and Net Assets (Modified Cash Basis)
 December 31, 2014 and 2013

Assets	<u>2014</u>	<u>2013</u>
Current Assets		
Cash	\$ 443,599	\$ 321,832
Total Current Assets	<u>443,599</u>	<u>321,832</u>
Property and Equipment		
Land	44,134	44,134
Building and Improvements	233,749	233,749
Vehicles	1,020,448	1,171,659
Equipment	488,441	470,820
Total Property and Equipment	<u>1,786,772</u>	<u>1,920,362</u>
Less: Accumulated Depreciation	<u>1,232,810</u>	<u>1,252,334</u>
Total Property and Equipment, Net	<u>553,962</u>	<u>668,028</u>
Other Assets		
Meter Deposits	<u>103</u>	<u>103</u>
Total Assets	\$ <u>997,664</u>	\$ <u>989,963</u>
Liabilities and Net Assets		
Current Liabilities		
Accrued Payroll Liabilities	\$ 66	\$ 119
Current Portion Long-Term Debt		<u>39,743</u>
Total Current Liabilities	<u>66</u>	<u>39,862</u>
Long-Term Debt		
Capital Lease		90,838
Less: Current Portion Long-Term Debt		<u>(39,743)</u>
Total Long-Term Debt, Net		<u>51,095</u>
Net Assets		
Unrestricted	<u>997,598</u>	<u>899,006</u>
Total Net Assets	<u>997,598</u>	<u>899,006</u>
Total Liabilities and Net Assets	\$ <u>997,664</u>	\$ <u>989,963</u>

The accompanying notes are an integral part of these financial statements.

Salem Fire Department
 Statements of Revenue, Support and Expenses
 and Changes in Net Assets (Modified Cash Basis)
 for the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue and Support		
Members' Dues	\$ 203,720	\$ 204,465
Premium Tax Income (Act 833)	21,857	20,262
Grants	6,260	11,000
Rescue Funds	593	497
Donations	500	400
Interest Income	410	645
Miscellaneous Income	775	8,115
Total Revenue and Support	<u>234,115</u>	<u>245,384</u>
Expenses		
Salaries	8,500	9,949
Payroll Taxes	927	975
Contract Labor	1,203	152
Utilities and Telephone	12,646	10,064
Insurance	16,383	14,466
Interest	570	2,073
Retirement Contributions	1,550	1,200
Professional Fees	6,148	5,456
Repairs	9,412	17,126
Supplies	43,446	45,047
Gasoline and Oil	7,760	6,017
Miscellaneous	13,791	10,948
Depreciation	133,187	127,795
Total Expenses	<u>255,523</u>	<u>251,268</u>
Excess of Revenue and Support Over Expenses	(21,408)	(5,884)
Non Operating Activites		
Gain on Sale of Assets	<u>120,000</u>	<u> </u>
Change in Net Assets	98,592	(5,884)
Net Assets at Beginning of Year	<u>899,006</u>	<u>904,890</u>
Net Assets of End of Year	<u>\$ 997,598</u>	<u>\$ 899,006</u>

The accompanying notes are an integral part of these financial statements.

Salem Fire Department
 Statements of Cash Flows (Modified Cash Basis)
 for the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash Flows From Operating Activities		
Cash Collections From Members and Non Members	\$ 203,720	\$ 204,465
Other Cash Receipts	29,985	30,274
Interest Receipts	410	645
Interest Payments	(570)	(2,073)
Cash Paid for Operating Expenses	<u>(121,819)</u>	<u>(121,510)</u>
Net Cash Provided by Operating Activities	<u>111,726</u>	<u>111,801</u>
Cash Flows From Investing Activities		
Proceeds from Sale of Property and Equipment	120,000	
Purchases of Property and Equipment	<u>(19,121)</u>	<u>(84,032)</u>
Net Cash Provided (Used) by Investing Activities	<u>100,879</u>	<u>(84,032)</u>
Cash Flows From Financing Activities		
Proceeds from Capital Lease	-	7,013
Principal Payments on Capital Lease	<u>(90,838)</u>	<u>(29,162)</u>
Net Cash Used in Financing Activities	<u>(90,838)</u>	<u>(22,149)</u>
Net Increase in Cash	121,767	5,620
Cash at Beginning of Year	<u>321,832</u>	<u>316,212</u>
Cash at End of Year	<u>\$ 443,599</u>	<u>\$ 321,832</u>
Reconciliation of Change in Net Assets to Net Cash		
Provided by Operating Activities		
Change in Net Assets	\$ (21,408)	\$ (5,884)
Items Not Requiring (Providing) Cash:		
Depreciation	133,187	127,795
Increase (Decrease) in:		
Accrued Payroll Liabilities	(53)	(110)
Grant Advance	-	(10,000)
Net Cash Provided by Operating Activities	<u>\$ 111,726</u>	<u>\$ 111,801</u>
Supplemental Disclosures Of Cash Flow Information:		
Noncash Investing And Financing Activities		
Purchase of Equipment Through a Capital Lease	<u>\$</u>	<u>\$ 112,987</u>

The accompanying notes are an integral part of these financial statements.

Salem Fire Department
Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

- a. Nature of Activities - Salem Fire Department is a nonprofit corporation organized to provide fire protection to the Salem fire protection district in rural Saline County, Arkansas. The major sources of revenue are membership dues collected through property taxes by the county and act 833 premium tax income.
- b. Basis of Accounting - The organization prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States; revenues are recognized when received rather than when earned, and expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred. Depreciation on property and equipment is recognized and interest expense is accrued.
- c. Basis of Presentation - Salem Fire Department is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. There were no temporarily or permanently restricted net assets at December 31, 2014 and 2013.
- d. Property and Equipment - Property and equipment are recorded at cost. Any donated property is recorded at fair value at the date of the gift. Depreciation is calculated using the straight line method based upon the estimated useful lives of the related assets. The estimated useful lives for property and equipment are as follows:

Buildings and Improvements	10-30 years
Vehicles	5-10 years
Equipment	5 years

Maintenance and repairs are charged to expense as incurred. The cost of additions, renewals, and betterments with a useful life of at least five years and a cost of at least \$500 are capitalized.

- e. Income Taxes - The organization is exempt from income taxes under section 501(c)(3) of the internal revenue code. Therefore, no income tax provisions have been made. The department files tax form 990. The tax years subject to examination by the IRS are 2010, 2011, 2012, and 2013, generally for three years after the return has been filed.
- f. Cash and Cash Equivalents - For the purposes of reporting cash flows, cash and cash equivalents include cash on hand or in financial institutions and highly liquid investments with maturities of three months or less.
- g. Estimates - Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Note 2: The Arkansas Local Police and Fire Retirement System

The organization participates in the Arkansas Local Police and Fire Retirement System (LOPFI). The organization contributes a monthly payment per firefighter based on an actuarial valuation at the beginning of the year. The organization is required to make a monthly payment based on the number of volunteer firefighters on staff. The organization contributed \$1,550 and \$1,200 to LOPFI during 2014 and 2013, respectively. LOPFI will pay

Salem Fire Department
Notes to Financial Statements

Note 2: the firefighters the benefit when a firefighter retires. The monthly benefits in 2014 and 2013 was \$6.37 and \$6.28, respectively, for each year of service for eligible firefighters. An eligible **The Arkansas Local Police and Fire Retirement System (cont'd)**

firefighter is a firefighter who has 20 years of service and retires after age 55, a firefighter who has 28 years of service and retires at any age, or a firefighter who has 5 years of service and retires at age 60.

Note 3: Long-Term Debt

Long-term debt consisted of the following at December 31:

	2014	2013
Capital lease, \$10,412 quarterly, maturity date April, 2016	\$ _____	\$ 90,838
Total Long-Term Debt		90,838
Less Current Portion		(39,743)
Net Long-Term Debt	\$ _____	\$ 51,095

The capital lease is a lease-purchase agreement with an equipment financing company for the lease of a firefighting vehicle. The lease term is for thirty six months, expiring in April, 2016, with an option to buy the vehicle for \$1 at the end of the lease. The interest rate for the agreement is 2.5%. The lease was paid off during the year ended December 31, 2014.

Vehicles on the balance sheet include the following equipment under capital lease at December 31:

	2014	2013
Vehicle	\$ 112,987	\$ 112,987
Less: Accumulated Depreciation	(20,714)	(9,416)
	\$ 92,273	\$ 103,571

The depreciation expense for the vehicle under a capital lease for the year ending December 31, 2014 and 2013 is \$11,299 and \$9,416.

Note 4: Subsequent Events

Subsequent to the date of the financial statements, Salem Fire Department initiated a lease-purchase agreement with Community First National Bank for the lease of one Ferrara commercial pumper and one Ferrara custom pumper. The lease term is for fifteen years in the amount of \$524,390.00 at an interest rate of 2.69%

Note 5: Cash Deposits with Financial Institutions

The department maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2014, the department's uninsured cash balances totaled \$84,870. All deposits were insured at December 31, 2013.

FIRST SECURITY BANK
P.O. BOX 1009
314 NORTH SPRING
SEARCY, AR 72143

*****AUTO**SCH 5-DIGIT 72015
495 0.9200 AV 0.381 2 1 158
SALEM FIRE DEPARTMENT
1785 SALEM RD
BENTON AR 72019-8398

02/27/15

0000957577



32

CYCLE-020

*** CHECKING *** INT CKG NON PERSONAL
ACCOUNT NUMBER 0000957577
PREVIOUS STATEMENT BALANCE AS OF 01/30/15 15,180.36
PLUS 4 DEPOSITS AND OTHER CREDITS 11,282.39
LESS 41 CHECKS AND OTHER DEBITS 16,080.38
CURRENT STATEMENT BALANCE AS OF 02/27/15 10,382.37
NUMBER OF DAYS IN THIS STATEMENT PERIOD 28

*** CHECK TRANSACTIONS ***

SERIAL	DATE	AMOUNT	SERIAL	DATE	AMOUNT
4128	02/04	100.00✓	4161	02/10	798.72✓
4129	02/03	38.15✓	4162	02/17	38.15✓
4132*	02/04	65.00✓	4163	02/10	52.03✓
4136*	02/05	109.18✓	4164	02/12	20.00✓
4144*	02/04	2,504.81✓	4165	02/12	20.00✓
4149*	02/09	401.08✓	4167*	02/09	175.56✓
4150	02/06	1,216.65✓	4168	02/12	168.25✓
4151	02/03	606.27✓	4169	02/26	123.45✓
4152	02/10	1,116.71✓	4170	02/18	315.00✓
4154*	02/02	100.00✓	4172*	02/18	280.32✓
4155	02/02	145.65	4173	02/18	431.00✓
4156	02/10	10.00✓	4174	02/18	426.00✓
4157	02/10	10.00✓	4175	02/20	150.00✓
4158	02/03	292.00✓	4176	02/27	136.80✓
4159	02/10	4,550.00✓	4182*	02/26	605.41✓
4160	02/13	49.28✓			

*** CHECKING ACCOUNT TRANSACTIONS ***

DATE	DESCRIPTION	DEBITS	CREDITS
02/10	AC-SALEM WATER USER-UTILITYACH	15.53✓	
02/10	AC-SALEM WATER USER-UTILITYACH	15.53✓	
02/10	AC-FIRST ELECTRIC C-20150209	29.94✓	
02/10	AC-FIRST ELECTRIC C-20150209	33.07✓	
02/11	AC-ATT -Payment	48.16✓	
02/12	XFER FROM ACCT CK-000000964162		5,000.00✓
02/18	AC-FIRST ELECTRIC C-20150216	35.26✓	
02/19	XFER FROM ACCT CK-000000964162		5,000.00✓
02/19	DEPOSIT		1,281.62✓
02/20	AC-ATT -Payment	110.88✓	
02/20	AC-CPENERGY ARKLA -ARK ACH DR	281.85✓	
02/24	AC-CPENERGY ARKLA -ARK ACH DR	147.73✓	
02/24	AC-FIRST ELECTRIC C-20150223	306.96✓	
02/27	INTEREST PAYMENT		.77✓

*** BALANCE BY DATE ***

01/30	15,180.36	02/02	14,934.71	02/03	13,998.29	02/04	11,328.48
02/05	11,219.30	02/06	10,002.65	02/09	9,426.01	02/10	2,794.48
02/11	2,746.32	02/12	7,538.07	02/13	7,488.79	02/17	7,450.54
02/18	5,963.06	02/19	12,244.68	02/20	11,701.95	02/24	11,247.26
02/26	10,518.40	02/27	10,382.37				



**P.O. Box 7009
Pine Bluff, AR 71611-7009**

Date 2/27/15
Primary Account
Enclosures

Page 1
2964678

**Simmons First National Bank
501 Main Street
Pine Bluff, AR 71601-4398
www.simmonsfirst.com**

*****AUTO**SCH 5-DIGIT 72015
14226 0.4800 AV 0.381 37 1 46
Salem Volunteer Fire Dept Of
Saline County
1785 Salem Rd
Benton AR 72019-8398

32013362

**24 Hour Telephone Banking:
870 541 1234 Direct Dial
877 245 1234 Toll Free**

**Customer Service:
870 541 1266 Direct Dial
866 246 2400 Toll Free**



CHECKING ACCOUNTS

Money Market Savings

Number of Enclosures

0

Account Number 2964678
Previous Balance 30,847.98
Deposits/Credits .00
Checks/Debits .00
Service Charge .00
Interest Paid 5.91
Current Balance 30,853.89

Statement Dates 2/02/15 thru 3/01/15
Days in the statement period 28
Average Ledger 30,847.91
Average Collected 30,847.91
Interest Earned 5.91
Annual Percentage Yield Earned 0.25%
2015 Interest Paid 12.67

Deposits and Additions

Date	Description	Amount
3/01	Interest Deposit	5.91

Daily Balance Information

Date	Balance	Date	Balance
2/02	30,847.98	3/01	30,853.89

Thank you for banking with Simmons First.

END OF STATEMENT *****



ARVEST BANK
P O BOX 1670
LOWELL AR 72745

24-hour Account Information: (877) 618-2648

Statement Date: 2-28-15

Account No: 73539618

Customer Service: (866) 952-9523

002 490 150

Enclosures:

ENJOY UP TO \$100 BONUS WITH A CORPORATE CREDIT CARD WITH ARVEST REWARDS BEFORE 3/31/15. ASK FOR DETAILS.

*****AUTO**SCH 5-DIGIT 72015
1681 0.4490 AV 0.381 6 1 360

SALEM FIRE DEPT OF SALINE COUNTY
1785 SALEM RD
BENTON AR 72019-8398

***** BUSINESS MONEY MARKET *****
7353 961 8 150

Balance Last Statement	1-31-15	30,435.39
+Deposits/Credits		.00
-Withdrawals/Debits		.00
-Service Charge		.00
+Interest Paid		3.50
Balance This Statement		30,438.89

***** DESCRIPTIVE TRANSACTIONS *****

Date	Tracer	Description	Amount
2-27	9990000000000001	INTEREST PMT	3.50

***** INTEREST SUMMARY *****

Interest Paid this Year	7.38
Interest Withheld this Year	.00
Average Collected Balance	30,435.39

***** INTEREST RATE SUMMARY *****

Date	Rate	Date	Rate
1-31	.150		

***** DAILY BALANCE SUMMARY *****

Date	Balance	Date	Balance
1-31	30435.39	2-27	30438.89

DORMANCY: A MONTHLY FEE WILL BEGIN IF NO ACTIVITY FOR 24 MONTHS.

End of Statement

FIRST SECURITY BANK
P.O. BOX 1009
314 NORTH SPRING
SEARCY, AR 72143

*****AUTO**SCH 5-DIGIT 72015
496 0.4320 AV 0.381 2 1 159
SALEM FIRE DEPARTMENT
EQUIPMENT FUND
1785 SALEM RD
BENTON AR 72019-8398

02/27/15

0000964162



CYCLE-020

*** CHECKING *** MM INV NON PERSONAL

ACCOUNT NUMBER 0000964162
PREVIOUS STATEMENT BALANCE AS OF 01/30/15 221,388.58
PLUS 1 DEPOSITS AND OTHER CREDITS 33.28
LESS 2 CHECKS AND OTHER DEBITS 10,000.00
CURRENT STATEMENT BALANCE AS OF 02/27/15 211,421.86
NUMBER OF DAYS IN THIS STATEMENT PERIOD 28

*** CHECKING ACCOUNT TRANSACTIONS ***

DATE	DESCRIPTION	DEBITS	CREDITS
02/12	XFER TO ACCT CK-000000957577	5,000.00	
02/19	XFER TO ACCT CK-000000957577	5,000.00	
02/27	INTEREST PAYMENT		33.28

*** BALANCE BY DATE ***

01/30 221,388.58 02/12 216,388.58 02/19 211,388.58 02/27 211,421.86

PAYER FEDERAL ID NUMBER..... 71-0159420
INTEREST PAID YEAR TO DATE..... 69.67