

**REPORT**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Component Unit Financial Statements  
As of and for the Year  
Ended December 31, 2017  
with Supplemental Information Schedules**

*Minda B. Raybourn*

*Certified Public Accountant  
Limited Liability Company*

820 11<sup>TH</sup> AVENUE  
FRANKLINTON, LOUISIANA 70438

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Component Unit Financial Statements  
As of and for the Year Ended December 31, 2017  
With Supplemental Information Schedule**

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MEMBER  
A.I.C.P.A.

MEMBER  
I.C.P.A.

Board of Commissioners  
Washington Parish Fire  
Protection District No. 5  
Angie, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities of Washington Parish Fire Protection District No. 5, a component unit of the Washington Parish Government, as of and for the year ended December 31, 2017, and related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the budgetary comparison on page 2 through page 7 and page 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. This information is the representation of management. This information was subject to my compilation engagement, however, I have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

The supplementary information contained in the Supplemental Information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information

I am not independent with respect to Washington Parish Fire Protection District No. 5.

*Minda Raybourn*

Minda B. Raybourn  
Certified Public Accountant  
Franklinton, Louisiana  
May 23, 2018

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.5**  
**WASHINGTON PARISH GOVERNMENT**  
**Angie, Louisiana**

**Management's Discussion and Analysis**

**Introduction**

Washington Parish Fire Protection District No. 5 is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standard Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis – For State and Local Governments (hereinafter referred to as GASB 34)* and related standards.

The District's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position, (d) identify any significant variations from the District's financial plan, and (e) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the District's financial statements.

**Financial Highlights**

- Total assets at December 31, 2017, were \$573,848 and exceeded liabilities by \$554,439 (i.e., net position). Of total net position, \$241,516 was unrestricted and available to support short-term operations, with the balance of \$312,923 invested in capital assets net of related debt.
- Revenues consist of ad valorem taxes, state revenue sharing and insurance proceeds. The total operating revenues, for the fiscal year ending December 31, 2017, were \$134,250 representing an approximate increase of 6% from total revenues for fiscal year December 31, 2016, of \$126,170. Non-operating revenues totaled \$4,210 for the fiscal year end.
- The District's program expenditures, totaling \$118,423 and consisting of those expenditures resulting from the District's ongoing operations, increased by \$43,062 (57%) over the program expenses of \$75,361 for fiscal year ended December 31, 2016.
- The District had capital expenditures of \$13,000 and depreciation expense of \$24,323.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.5**  
**WASHINGTON PARISH GOVERNMENT**  
**Angie, Louisiana**

**Management's Discussion and Analysis**

**Overview of Annual Financial Report**

Management's Discussion and Analysis (MD&A) serves as an introduction to basic financial statements and supplementary information. The MD&A presents an overview of management's examination and analysis of the District's financial condition and performance. The District's basic financial statements are comprised of three components: 1) government-wide statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in additions to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector businesses. These financial statements are reported using the full accrual accounting methods.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The statement of net position and the statement of activities display information about the District as a whole. These statements distinguish between those activities of the District that are governmental and those that are considered business type activities.

**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 segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The modified accrual basis of accounting is used by the governmental funds.

**Notes to financial statements.** The notes to the financial statements provide required disclosures essential to the understanding of the financial statements. The notes present information about the District's accounting policies, significant account balances, account activities, commitments, contingencies, and subsequent events, if any. Supplementary information includes a comparative budget schedule.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Financial Analysis**

The purpose of financial analysis is to help determine whether Washington Parish Fire Protection District No. 5 is better off as a result of the current year's activities. In this analysis, data from two basic financial statements, the Statement of Net Position, and the Statement of Activities and Changes in Net Position, is presented below in condensed format. These statements report the net position, the difference between assets and liabilities, and the change in net position, which provides information for indicating the financial condition of the District. Following these statements is a separate schedule summarizing and analyzing budget changes for the current fiscal year.

**Condensed Statement of Net Position**

	December 31, 2016	December 31, 2017	Dollar Change	Percent Change
<b>Assets:</b>				
Current And Other Assets	\$ 238,100	\$ 260,926	\$ 22,826	9.59%
Capital Assets	324,296	312,923	(11,373)	-3.51%
<b>Total Assets</b>	<b>562,396</b>	<b>573,848</b>	<b>11,452</b>	<b>2.04%</b>
<b>Total Liabilities</b>	<b>3,670</b>	<b>3,912</b>	<b>242</b>	<b>6.58%</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>15,498</b>	<b>15,498</b>	<b>100.00%</b>
<b>Net Position:</b>				
Invested in Capital Assets, Net	324,296	312,923	(11,373)	-3.51%
Unrestricted	234,430	241,516	7,086	3.02%
<b>Total Net Position</b>	<b>\$ 558,726</b>	<b>\$ 554,439</b>	<b>\$ (4,287)</b>	<b>-0.77%</b>

The major change in current assets is an increase in cash of \$15,411 and property tax receivable of \$6,951.

The liabilities include pension deduction for \$3,912. The deferred inflows of resources are property tax revenues received during December 2017 but are unavailable for use until the next fiscal year.

See page 8 for more detailed Statement of Net Position for the District.

**Government-Wide Review of the Condensed Statement of Net Position**

The composition of net position and change in net position over time serves as useful indicator of government's financial position. The District's assets at fiscal year-end exceed liabilities by \$554,439 (net position). The balance of net position includes \$312,923 Invested in Capital Assets

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.5**  
**WASHINGTON PARISH GOVERNMENT**  
**Angie, Louisiana**

**Management's Discussion and Analysis**

and \$241,516 in Unrestricted Net Position. The unrestricted assets are available to meet the ongoing needs of the District.

**Condensed Statement of Activities, and Changes in Net Position**

	December 31, 2016	December 31, 2017	Dollar Change	Percent Change
Program Revenues	\$ 126,170	\$ 134,250	\$ 8,080	6.40%
Expenses:				
Operating Expenses	75,361	118,423	43,062	57.14%
Depreciation Expense	23,754	24,323	569	2.40%
Total Expenditures	<u>99,115</u>	<u>142,746</u>	<u>43,631</u>	<u>44.02%</u>
Operating Income (Loss)	27,055	(8,497)	(35,552)	-131.41%
Non- Operating Revenues (Expenses)				
Other Income	2,560	4,210	1,650	64.45%
	<u>2,560</u>	<u>4,210</u>	<u>1,650</u>	<u>64.45%</u>
Change in Net Position	29,615	(4,287)	(33,902)	-114.5%
Net Position, Beginning of Year	<u>529,111</u>	<u>558,726</u>	<u>29,615</u>	<u>5.60%</u>
Net Position, End of Year	<u><u>558,726</u></u>	<u><u>554,439</u></u>	<u><u>(4,287)</u></u>	<u><u>-0.77%</u></u>

While the Statement of Net Position shows the change in financial position, the Statement of Activities and Changes in Net Position provides answers to the nature and scope of these changes. Program Revenues increased by \$8,080 (6.40%), while operating expenses increased \$43,062 (57.14%) and depreciation increased by \$569 (2.40%). Non-operating revenues increased by \$1,650 (64.45%).

Expenditures increased due to an increase of repairs and maintenance (increase of \$29,507) and supplies (increase of \$11,414).

**Budgetary Highlight**

The proposed budget for 2017 was presented and adopted at the District's regular board meeting. The budget is prepared on the accrual basis of accounting, and all appropriations lapse at year-end. See Schedule 1 for the budget presentation. For the year, the actual revenues were 25% over budgeted revenues and actual expenditures were 19% over budgeted expenditures.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Budget vs. Actual – Fiscal Year Ending December 31, 2017**

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Favorable (Unfavorable) Variance</b>
<b>REVENUES:</b>				
Ad valorem taxes	\$ 98,000	\$ 98,000	\$ 119,924	\$ 21,924
State revenue sharing	5,000	5,000	3,644	(1,356)
Insurance rebates	7,800	7,800	10,681	2,881
Other Income	-	-	4,210	4,210
<b>Total Revenues</b>	<u>110,800</u>	<u>110,800</u>	<u>\$ 138,460</u>	<u>27,660</u>
<b>EXPENDITURES:</b>				
Fuel, gas, and oil	3,500	3,500	2,966	534
Advertising	-	-	-	-
Bookkeeping	3,000	3,000	3,000	-
Dues & subscriptions	600	600	448	152
Capital outlay	26,000	26,000	13,000	13,000
Insurance	20,000	20,000	17,999	2,002
Legal & audit	5,000	5,000	4,450	550
Miscellaneous	7,000	7,000	814	6,186
Repairs and maintenance	25,000	25,000	36,474	(11,474)
Office supplies	5,700	5,700	4,817	883
Rental	-	-	-	-
Supplies	-	-	38,069	(38,069)
Travel	-	-	-	-
Utilities	5,000	5,000	2,585	2,415
Telephone	-	-	1,680	(1,680)
Training	10,000	10,000	1,211	8,789
Pension expense	-	-	3,912	(3,912)
<b>Total expenditures</b>	<u>110,800</u>	<u>110,800</u>	<u>131,423</u>	<u>(20,623)</u>
<b>CHANGE IN FUND BALANCE</b>	-	-	7,036	7,036
<b>FUND BALANCE, JANUARY 1, 2017</b>	<u>234,510</u>	<u>234,510</u>	<u>234,510</u>	-
<b>FUND BALANCE, DECEMBER 31, 2017</b>	<u>\$ 234,510</u>	<u>\$ 234,510</u>	<u>\$ 241,546</u>	<u>\$ 7,036</u>

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana**

**Management's Discussion and Analysis**

**Capital Assets**

At the end of the fiscal year December 31, 2017, the District had \$693,441 net of recorded in capital assets, less accumulated depreciation of \$380,519. Capital outlays are recorded as expenditures of the General Fund and as assets in the government-wide financial statement. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful life:

Fire Stations	40 years
Fire Trucks and Other Trucks	5-20 years
Equipment	3-10 years

Fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated assets are valued at fair market value on the date donated. The cost of all assets acquired prior to 1989 has been valued using estimated historical cost.

Capital asset activity for the year ended December 31, 2017:

	January 1, 2017	December 31 , 2017	Dollar Change	Percent Change
Land	\$ 18,966	\$ 18,966	\$ -	0.00%
Fire Trucks	381,828	394,828	13,000	3.40%
Fire Stations	191,553	191,553	-	0.00%
Equipment	73,099	73,099	-	0.00%
Communication	14,995	14,995	-	0.00%
Subtotal	<u>680,441</u>	<u>693,441</u>	<u>13,000</u>	<u>1.91%</u>
Less Accumulated				
Depreciation	<u>(356,195)</u>	<u>(380,519)</u>	<u>(24,323)</u>	<u>6.83%</u>
Net Capital Assets	<u>324,246</u>	<u>312,923</u>	<u>(11,323)</u>	<u>-3.49%</u>

The District recorded depreciation expense for \$24,323. The District purchased two trucks for \$13,000.

**FUTURE ECONOMIC PLANS**

The District management's approach is conservative. The board actively monitors revenues and expenses and evaluates the cost of all purchases and any proposed expansion projects.

## **FINANCIAL STATEMENTS**

STATEMENT A

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana  
Statement of Net Position  
December 31, 2017**

	<u><b>Governmental Activities</b></u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 138,625
Receivables	117,254
Prepaid expenses	5,047
Total current assets	<u>260,926</u>
Capital assets	
Land	18,966
Fire stations, truck, and equipments	674,475
Less accumulated depreciation	<u>(380,519)</u>
Total capital assets	312,923
<b>Total Assets</b>	<u><u>\$ 573,848</u></u>
<b>LIABILITIES:</b>	
Pension deduction	<u>3,912</u>
<b>Total Liabilities</b>	<u><u>3,912</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property tax revenue	<u>15,498</u>
Total deferred inflows of resources	<u>15,498</u>
<b>Net Position</b>	
Invested in capital assets, net of related debt	312,923
Unrestricted	241,516
<b>Total Net Position</b>	<u><u>\$ 554,439</u></u>

See accountant 's compilation report and accompanying notes to financial statements

STATEMENT B

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2017

**PROGRAM EXPENSES:**

Fuel, gas, and oil	\$ 2,966
Advertising	-
Bookkeeping	3,000
Dues & subscriptions	448
Depreciation expense	24,323
Insurance	17,999
Legal & audit	4,450
Miscellaneous	814
Repairs and maintenance	36,474
Office supplies	4,817
Rental	-
Supplies	38,069
Travel	-
Utilities	2,585
Training	1,211
Pension expense	3,912
Telephone	1,680
<b>TOTAL PROGRAM EXPENSES</b>	<u>142,746</u>

**PROGRAM REVENUES:**

Ad valorem taxes	119,924
State revenue sharing	3,644
Insurance rebates	10,681
Other income	4,210
Total Program Revenues	<u>138,460</u>

**Change in Net Position** (4,287)

**Beginning Net Position, January 1, 2017** 558,726

**Ending Net Position, December 31, 2017** \$ 554,439

See accountant's compilation report and accompanying notes to the financial statements.

STATEMENT C

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
Angie, Louisiana  
Balance Sheet  
Governmental Funds  
DECEMBER 31, 2017**

	<u>General Fund</u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 138,625
Receivables	117,254
Prepaid expenses	5,047
<b>TOTAL ASSETS</b>	<u><u>\$ 260,926</u></u>
<b>LIABILITIES:</b>	
Pension deduction	\$ 3,912
<b>Total Liabilities</b>	<u>3,912</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property tax revenue	15,498
<b>Total Deferred Inflows of Resources</b>	<u>15,498</u>
<b>FUND BALANCE</b>	
Nonspendable	5,047
Unassigned Fund Balances	236,470
<b>Total Fund Balance</b>	<u>241,516</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 245,428</u></u>
<b>Reconciliation:</b>	
Total governmental funds balances	\$ 241,516
Capital assets	312,923
<b>Net position of government activities</b>	<u><u>\$ 554,439</u></u>

See accountant's compilation report and the accompanying notes to the financial statements

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5**  
**WASHINGTON PARISH GOVERNMENT**  
**Angie, Louisiana**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2017**

	<b>General</b>
<b>OPERATING REVENUES:</b>	
Ad valorem taxes	\$ 119,924
State revenue sharing	3,644
Insurance rebates	10,681
Other Income	4,210
<b>Total Revenues</b>	<b>138,460</b>
 <b>EXPENDITURES:</b>	
Fuel, gas, and oil	2,966
Advertising	-
Bookkeeping	3,000
Dues & subscriptions	448
Insurance	17,999
Legal & audit	4,450
Miscellaneous	814
Repairs and maintenance	36,474
Office supplies	4,817
Rental	-
Supplies	38,069
Travel	-
Utilities	2,585
Training	1,211
Pension expense	3,912
Telephone	1,680
Capital Outlay	13,000
<b>Total operating expenditures</b>	<b>131,423</b>
 <b>CHANGE IN FUND BALANCE</b>	 7,036
 <b>FUND BALANCE, JANUARY 1, 2017</b>	 <u>234,510</u>
 <b>FUND BALANCE, DECEMBER 31, 2017</b>	 <u><u>\$ 241,546</u></u>
 <b>Reconciliation:</b>	
Change in fund balance	\$ 7,036
Capital assets purchased	13,000
Current year depreciation	(24,323)
<b>Change in net position</b>	<b>\$ (4,287)</b>

See accountant's compilation report and the accompanying notes to the financial statements

## **NOTES TO FINANCIAL STATEMENTS**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**Notes to the Financial Statements  
For the Year Ended December 31, 2017**

**INTRODUCTION**

The Fire Protection District Number Five of Washington Parish was created under the Louisiana Revised Statute 40:1496.12E. The District shall constitute a public corporation and as such shall have all the powers of public corporations, including perpetual existence and the right and power to incur debt and contract obligations, to sue and be sued, and to have a corporate seal. The District shall also be authorized to do and perform all acts in its corporate capacity and in its name, necessary and proper, for the purposes of acquiring, maintaining and operating buildings, machinery, equipment, water tank, water hydrants, water lines, and such other things as might be necessary or proper for effective fire prevention and control as considered necessary by the parish governing body of the District for the protection of the property within the limits of the District against fire.

The governing body of the parish shall appoint a five member board that shall perform all duties, functions, and powers responsible for the operation and maintenance of the District. All funds of the District shall be administered by the board. The board of commissioner members may be paid a per diem of fifty dollars for attending meetings of the board, and may be reimbursed any expenses incurred in performing the duties imposed upon them.

The District borders the Mississippi state line to the north, Pearl River to the east, 7<sup>th</sup> Ward Line Road to the south and Pushpatappa Creek to the west in Ward 7 of Washington Parish, approximately 96 square miles. It serves approximately 2,400 people and several small businesses living and operating in the District. It operates two fire houses, one in Angie, Louisiana, and a second in Stateline, Louisiana, with a volunteer staff of fire fighters.

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

**A. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING AND FINANCIAL STATEMENT**

The District's financial statements are prepared on the modified accrual basis in accordance with accounting principles generally accepted in the United States of America. The District applies all Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations, and the Accounting Principle Board (APB) of the Committee on Accounting Procedures, Issued on or before November 1989, unless those pronouncements conflict or contradict with GASB pronouncements.

These financial statements are presented in conformance with GASB Statement No.34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. Statement No. 34 established standards for financial reporting, with presentation requirements including a statement of net assets (or balance sheet), a statement of activities and change in net assets, and a statement of cash flows.

**B. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Washington Parish Government is the financial reporting entity for Washington Parish. The financial reporting entity consists of (a) the primary government, parish council, (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.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2017**

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Washington Parish Government 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. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the parish council to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish council.
2. Organizations for which the parish council does not appoint a voting majority but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish council appoints a voting majority of the District's governing board and the parish council has the ability to impose its will on the District, the District was determined to be a component unit of the Washington Parish Government, 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 parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

#### **C. FUND ACCOUNTING**

The District maintains its financial records on a fund basis, whereby a self-balancing set of accounts (Governmental Fund) is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The general fund of the District accounts for all financial resources, except those required to be accounted for in other funds.

#### **D. BASIS OF ACCOUNTING**

The accompanying financial statements of the Washington Parish Fire Protection District No. 5 have been prepared in conformity with generally accepted accounting principles of the United State of America (GAAP) as applied to government units. The accompanying financial statements have been prepared in conformity with GASB-34. Under GASB-34, a statement of net assets and statement of activities are prepared which are presented on the accrual basis of accounting. The significant differences are capital outlay is reported as an asset and depreciated in the government-wide statement. Also long term obligations are recorded as liabilities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2017**

government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. With this measurement of focus, only current assets and current liabilities generally are included on the balance sheet in the fund statements. Long term assets and long term liabilities are included in the government-wide statements. Operating statements of governmental funds present increases (revenues), other financing sources, decreases (expenditures), and other financing uses are included in current assets.

The government-wide statement of net position and statement of activities are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with operation of these activities are included on the statement of net position.

The statement of net position and statement of activities are presented on the accrual basis of accounting. Under this method of accounting exchange, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The modified accrual basis of accounting is used by the governmental funds. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. Effective for financial statements issued after June 30, 2000, GASB Statement 33, *Accounting and Financial reporting for non-exchange transactions*, defines a non-exchange transaction as a transaction whereby the government gives or receives value without directly receiving or giving equal value in return. Property taxes are imposed non-exchange revenues which result from assessments imposed on nongovernmental entities including individuals. Assets should be recognized when the government has an enforceable lien or legal claim to the resources, or the resources are received, whichever occurs first. Property tax revenues are recognized in the period when the district has a legal claim to the resources. However, for revenue to be recognized under the modified accrual basis, the measurable and available criteria must also be met. Governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Revenues are recognized in the accounting period they become available and measurable. Donations, fund raising net revenues and state revenue sharing is recorded when received. Ad valorem taxes become a lien against the assessed property on assessment date or levy date. Property taxes collected by the taxing authority, but not remitted to the District at year-end, are accrued in revenue and included in property tax receivable.

**Expenditures**

Expenditures are recognized in the accounting period when the fund liability is incurred.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2017**

**E. BUDGETS**

The District does not have a formal policy on adopting a budget. All appropriations lapse at year-end. The District at the regular meeting adopted the budget for the year ended December 31, 2016. The budget was not amended. For the year, the actual revenues were 25% over budgeted revenues and actual expenditures were 19% under budgeted expenditures.

**F. ENCUMBRANCES**

The District does not use encumbrance accounting.

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits and interest bearing demand deposits. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**H. PREPAID ITEMS**

The District uses the allocation method of recording prepaid expenses.

**I. CAPITAL ASSETS**

Capital outlays are recorded as expenditures of the General Fund and as assets in the government –wide financial statement. Depreciation is recorded on general fixed assets on a government-wide basis using the straight-line method and the following estimated useful life:

Fire Stations	40	years
Fire Trucks and Other Truck	20	years
Equipment	3-10	years

Fixed assets are valued at historical cost or estimated historical cost if actual cost was not available. The cost of all assets acquired prior to 1989 has been valued using estimated historical cost. Approximately 4.45% of total assets are valued at estimated historical cost. Donated assets were transferred from the Angie Volunteer Fire Department (organized prior to 1988 state legislature establishment of the District) and are valued at their original cost which approximates market value at the date donated.

**J. COMPENSATED ABSENCES**

The District does not have any paid employees; therefore, it does not have a formal leave policy.

**K. LONG-TERM OBLIGATIONS**

Long-term obligations are reported in the government-wide financial statement.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2017**

**L. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES**

Deferred inflows of resources represent an acquisition of net position that applies to a future period, and is therefore deferred until that time.

Governmental funds report revenue that is unavailable as deferred inflows of resources. Governmental funds report unavailable revenue from property taxes and from special assessments. These amounts are deferred and recognized as revenue in the period that the amounts become available.

Deferred outflows of resources represent a consumption of net position that applies to a future period, and is therefore deferred until that time.

**M. GOVERNMENT WIDE NET POSITION**

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- Invested in capital assets, net of related debt – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or indebtedness attributable to acquisition, construction, or improvement of those assets. If there are significant unspent proceeds at year-end, the portion of the debt attributable to unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net asset calculation as unspent proceeds.
- Restricted – this component of net position consists of constraints placed on the asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or law or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – This component of net position consists of items that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**N. GOVERNMENTAL FUND BALANCE**

In the fund financial statements, governmental fund equity is classified as fund balance. Governmental funds are classified as follows:

- **Nonspendable** -These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2017**

- **Restricted** -These are amounts that can be spent only for a specific purpose because of constitutional provisions, enabling legislation, or externally imposed constraints by creditors, grantor, contributors or the laws or regulations of other governments.
- **Committed** -These are amounts that can be used for specific purpose determined by a formal decision by the Board Members, which are the highest level of decision-making authority for the Village.
- **Assigned** -These are amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purpose.
- **Unassigned** -These are all other spendable amounts.

**NOTE-2 LEVIED TAXES**

On November 3, 1992, the District passed a proposal for a 10 mill property tax assessment upon the property owners of the District, subject to homestead exemption. The tax is for a period of 10 years commencing in the year 1993 for the purpose of maintaining and operating the District's fire protection facilities, for purchasing fire trucks and other fire-fighting equipment and paying the cost of obtaining water for fire protection service. On October 22, 2011, the voters of the District passed a resolution, 10 years 10 mill tax renewal for maintaining and operating the District's fire protection facilities, purchasing fire trucks and other fire equipment, and paying the cost of obtaining water for fire protection purpose, purchase of real state, buildings and/or construction of fire stations. For the period covered by the financial statements, the millage was 10.01.

On November 4, 2008, the District passed a proposal for a 5 mill property tax assessment upon the property owners of the District, subject to homestead exemption. Commencing in the year 2009, the tax is for the purpose of maintaining and operating the District's fire protection facilities, for purchasing fire trucks and other fire fighting equipment and any other lawful purpose of the Washington Parish Fire Protection District Number 5. For the period covered by the financial statements, the millage was 5.01.

2017 Assessed Property Valued	\$	10,681,670
Less		
Homstead Exemption		(2,875,182)
Taxable Value	\$	7,806,488
15.02 Mills Assesment	\$	160,439
Less		
Homstead Exemption		(43,185)
Taxable Value	\$	117,254

**NOTE-3 CASH AND CASH EQUIVALENTS**

At December 31, 2017, the District has cash and cash equivalent as follows:

Non-interest bearing demand deposits	<u>\$138,625</u>
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**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**Notes to the Financial Statements (Continued)  
For the Year Ended December 31, 2017**

These 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 of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are to be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2017, the District had \$142,992 in deposits (collected bank balances). These deposits were secured from risk by \$250,000 of the federal deposit insurance.

**NOTE-4 RECEIVABLES**

The following is a summary of receivables at December 31, 2017:

<u>Class of Receivable</u>	
Property tax Receivable	<u>\$ 117,254</u>

**NOTE-5 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2017.

	Balance January 1, 2017	Additions	Deductions	Balance December 31 , 2017
Land (not Depreciable)	\$ 18,966	-	-	\$ 18,966
Fire Trucks	381,828	13,000	-	394,828
Fire Stations	191,553	-	-	191,553
Equipment	73,099	-	-	73,099
Communication	14,995	-	-	14,995
Subtotal	<u>\$ 680,441</u>	<u>13,000</u>	<u>-</u>	<u>\$ 693,441</u>
Less Accumulated Depreciation	(356,195)	(24,323)	-	(380,519)
Assets, net	<u>\$ 324,246</u>	<u>\$ (11,323)</u>	<u>\$ -</u>	<u>\$ 312,923</u>

The District recorded depreciation expense for 24,323. The District bought two trucks for \$13,000.

**NOTE-8 LITIGATION AND CLAIMS**

As of December 31, 2017, the District was not involved in any outstanding litigation or claims.

**NOTE-9 RELATED PARTY TRANSACTION**

There were no related party transactions as of December 31, 2017.

**REQUIRED SUPPLEMENTAL INFORMATION**

SCHEDULE 1

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5**  
**WASHINGTON PARISH GOVERNMENT**  
**Angie, Louisiana**  
**Budgetary Comparison Schedule**  
**General Funds**  
**For the Year Ended December 31, 2017**

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
<b>REVENUES:</b>				
Ad valorem taxes	\$ 98,000	\$ 98,000	\$ 119,924	\$ 21,924
State revenue sharing	5,000	5,000	3,644	(1,356)
Insurance rebates	7,800	7,800	10,681	2,881
Other Income	-	-	4,210	4,210
<b>Total Revenues</b>	<u>110,800</u>	<u>110,800</u>	<u>\$ 138,460</u>	<u>27,660</u>
<b>EXPENDITURES:</b>				
Fuel, gas, and oil	3,500	3,500	2,966	534
Advertising	-	-	-	-
Bookkeeping	3,000	3,000	3,000	-
Dues & subscriptions	600	600	448	152
Capital outlay	26,000	26,000	13,000	13,000
Insurance	20,000	20,000	17,999	2,002
Legal & audit	5,000	5,000	4,450	550
Miscellaneous	7,000	7,000	814	6,186
Repairs and maintenance	25,000	25,000	36,474	(11,474)
Office supplies	5,700	5,700	4,817	883
Rental	-	-	-	-
Supplies	-	-	38,069	(38,069)
Travel	-	-	-	-
Utilities	5,000	5,000	2,585	2,415
Telephone	-	-	1,680	(1,680)
Training	10,000	10,000	1,211	8,789
Pension expense	-	-	3,912	(3,912)
<b>Total expenditures</b>	<u>110,800</u>	<u>110,800</u>	<u>131,423</u>	<u>(20,623)</u>
<b>CHANGE IN FUND BALANCE</b>	-	-	7,036	7,036
<b>FUND BALANCE, JANUARY 1, 2017</b>	<u>234,510</u>	<u>234,510</u>	<u>234,510</u>	-
<b>FUND BALANCE, DECEMBER 31, 2017</b>	<u>\$ 234,510</u>	<u>\$ 234,510</u>	<u>\$ 241,546</u>	<u>\$ 7,036</u>

See Accountant's Compilation Report.

## **SUPPLEMENTAL INFORMATION**

**SCHEDULE II**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 2017**

**COMPENSATION PAID TO BOARD MEMBERS**

The schedule of compensation paid to board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Board members were not paid compensation in any form.

<u>Board Member</u>	<u>Expiration Date</u>
Huey Newcomb 31133 Frank Kennedy Road Angie, La. 70426	12/31/2021
Daniel Keaton 27106 Military Rd Angie, La. 70426	12/13/2016
Duane E. Seay 64443 Royal Street Angie, La. 70426	12/31/2017
Freddie Jefferson 30110 School Road Angie, La. 70426	12/31/2017
Kelly R. Amacker 63183 Highpoint Drive Angie, La 70426	12/31/2017

See accountant's compilation report

**SCHEDULE III**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5  
WASHINGTON PARISH GOVERNMENT  
ANGIE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 2017**

**COMPENSATION, BENEFITS, AND OTHER PAYMENTS MADE TO AGENCY HEAD**

Agency Head: Chuck Williams, Fire Chief

There was no compensation, benefits, or other payments made to the Chief of the District during 2017.

See accountant's compilation report