

**Jonesboro Fire Protection District #1**

Jackson Parish, Louisiana

**Annual Financial Statements  
and Accountant's Compilation Report**

As of and For the Year Ended  
June 30, 2017  
with Supplemental Information Schedules

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Jonesboro Fire Protection District #1  
Annual Financial Statements

As of and for the year ended June 30, 2017  
with Supplemental Information Schedules

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## Accountant's Compilation Report

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities and each major fund of the Jonesboro Fire Protection District #1, a component unit of the Jackson Parish Police Jury, as of and for the year ended June 30, 2017, and related notes to the financial statements, which collectively comprise the District's basis financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We 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. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context.

Act 706 of the Louisiana 2014 Legislative Session requires a Schedule of Compensation, Benefits, and Other Payments to Agency Head on page 28 to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Louisiana state law which considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information was not audited, reviewed, or compiled by us, and we do not express an opinion or provide any assurance on it.

*Kenneth D. Folden & Co., CPAs*

Jonesboro, Louisiana  
December 22, 2017

# **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Statement of Net Position  
As of June 30, 2017

		Governmental Activities
<b>Assets</b>		
Cash and equivalents	\$	68,020
Investments		13,950
Accounts receivable		12,893
Capital assets (net of accumulated depreciation)		250,556
<b>Total Assets</b>		345,419
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable		3,333
Capital lease payable		6,995
Interest payable		3,912
<b>Non-Current Liabilities:</b>		
Capital lease payable		87,939
<b>Total Liabilities</b>		102,179
<b>Net Position</b>		
Net investment in capital assets		162,617
Unrestricted		80,623
<b>Total Net Position</b>	\$	243,240

See accountant's compilation report.

Jonesboro Fire Protection District #1  
 Jonesboro, Louisiana

Statement of Activities  
 For the Year Ended June 30, 2017

	Major Funds			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Fire	\$ 74,319	\$ 53,356	\$ -	\$ -	(20,963)
Total governmental activities	\$ 74,319	\$ 53,356	\$ -	\$ -	(20,963)

Functions/Programs

Primary government

Governmental activities

Fire

Total governmental activities

General Revenues

Intergovernmental

Investment earnings

Other revenue

Total general revenues and transfers

Change in net position

Net position - June 30, 2016

Net position - June 30, 2017

9,363

89

4,925

14,377

(6,586)

249,826

\$ 243,240

# **FUND FINANCIAL STATEMENTS**

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Balance Sheet - Governmental Funds  
As of June 30, 2017

	<u>Governmental Funds</u>
<b>Assets</b>	
Cash and equivalents	\$ 68,020
Investments	13,950
Accounts receivable	12,893
<b>Total Assets</b>	<u>\$ 94,863</u>
<b>Liabilities &amp; Fund Balances</b>	
<b>Liabilities:</b>	
Accounts payable	\$ 3,333
Capital lease payable - current	6,995
Capital lease payable - interest	3,912
<b>Total Liabilities</b>	<u>14,240</u>
<b>Fund balances:</b>	
Unassigned	<u>80,623</u>
<b>Total Fund Balances</b>	<u>80,623</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 94,863</u>

See accountant's compilation report.

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
As of June 30, 2017

Total Fund Balances at June 30, 2017 - Governmental Funds (Statement C)	\$	80,623
Total Net Position reported for governmental activities in the Statement of Net Position (Statement A) are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds, net of depreciation.		250,556
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Capital lease payable		(87,939)
Net Position at June 30, 2017	\$	243,240

See accountant's compilation report.

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds  
For the Year Ended June 30, 2017

		Governmental Funds
<b>Revenues</b>		
Intergovernmental	\$	9,363
Charges for services		53,356
<b>Total revenues</b>		62,719
<b>Expenditures</b>		
Current:		
Public safety		
Personnel services		4,220
Supplies		12,844
Repairs and maintenance		10,535
Insurance		10,285
Legal and accounting		1,743
Office		638
Capital outlay		5,470
<b>Total expenditures</b>		45,735
<b>Excess (deficiency) of revenues over (under) expenditures</b>		16,984
<b>Other financing sources (uses)</b>		
Interest earnings		89
Capital lease principal expenditures		(6,995)
Capital lease interest expenditures		(3,912)
Miscellaneous		4,925
<b>Total other financing sources (uses)</b>		(5,893)
<b>Net changes in fund balances</b>		11,091
<b>Fund balances - June 30, 2016</b>		69,532
<b>Fund balances - June 30, 2017</b>	\$	80,623

See accountant's compilation report.

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,  
and Changes in Funds Balances to the Statement of Activities  
For the Year Ended June 30, 2017

Total net change in Fund Balances - Governmental Funds (Statement E)	\$	11,091
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets capitalized over their estimated useful lives as depreciation expense. This is the amount by which capital outlay differs from depreciation for the period.

Depreciation		(30,142)
Capital outlay		5,470

Capital lease principal expense, which is considered an other financing use on the Statement of Revenues, Expenditures, and Changes in Fund Balance (Statement E), is a reduction of capital lease payable on the Government-Wide Statements. Capital loan proceeds, which is considered an other financing sources on the Statement of Revenues, Expenditures, and Changes in Fund Balance (Statement E), is an increase in capital assets on the Government-Wide Statements.

Capital lease principal expense		6,995
Change in net position of governmental activities (Statement B)	\$	(6,586)

**NOTES TO THE  
FINANCIAL STATEMENTS**

Jonesboro Fire Protection District  
Jonesboro, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

## INTRODUCTION

The Jonesboro Fire Protection District #1 is located in Jackson Parish. As provided by Louisiana Revised Statute 40:1495, the District is governed by a Board of Commissioners consisting of five members appointed by the Jackson Parish Police Jury. Commissioners are residents of the District and serve either one-, two-, or four-year terms. The members of the Board of Commissioners do not receive compensation.

The District was organized on March 7, 1995 to provide fire protection and control within the District for a population of approximately 2,200 residents, in the southern part of Jackson Parish. The District encompasses the area between Louisiana Highway 4 and Nine Pines Road, from Beech Springs Road to the Hodge city limits. The District also serves the area between Louisiana Highway 4 to the Winn Parish and Bienville Parish lines. The District does not provide fire protection within the city limits of the Town of Jonesboro. The District has acquired land, buildings, and equipment in the effort to achieve its goals. Residents of the District serve as volunteer firefighters.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of Presentation

The accompanying financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District applies all relevant GASB pronouncements, and GAAP, as applicable to governmental entities. Also, the District's financial statements are prepared in accordance with the requirements of Louisiana R.S. 24:513 and Audits of State and Local Government Units, published by the American Institute of Certified Public Accountants.

### B. Reporting Entity

GASB Statement No. 14, The Financial Reporting Entity, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. As the governing authority of the parish, for reporting purposes, the Jackson Parish Police Jury is the financial reporting entity for Jackson Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the government is financially accountable, and (c) other organizations for which the 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.

GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, establishes criteria for determining which, if any, component units should be considered part of the Jackson Parish Police Jury for financial reporting purposes. GASB Statement No. 61 provides additional criteria for classifying entities as component units. The basic criterion for including a potential component unit within the reporting entity is financial accountability, which includes:

1. Appointing a voting majority of an organization's governing body, and:
  - i. The ability of the government to impose its will on that organization and/or

Jonesboro Fire Protection District  
Jonesboro, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

- ii. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government and there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Jackson Parish Police Jury approves the organization's governing body, and the potential for the organization to provide specific benefits to or impose specific financial burdens on the police jury, the District was determined to be a component unit of the Jackson Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

### C. Government-Wide Financial Statements

The District's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements present summaries of the governmental activities for the District. Fiduciary activities of the District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Jonesboro Fire Protection District #1's governmental activities.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) derive directly from parties outside the District's taxpayers or citizenry, including (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program; program revenues reduce the cost of the function to be financed from the District's general revenues.

Jonesboro Fire Protection District  
Jonesboro, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

Direct Expenses - The District reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

Indirect Expenses - The District reports all indirect expenses separately on the Statement of Activities (Statement B). Indirect expenses are those expenses that are not clearly identifiable with a function. Interest on long-term debt is considered an indirect expense.

General revenues are taxes and other items that are not properly included among program revenues.

#### **D. Fund Financial Statements**

The accounts of the Jonesboro Fire Protection District #1 are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, expenditures or expenses, as appropriate, additions, and deductions. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Funds of the District are classified into one category: governmental.

##### **Governmental Funds**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheets. Amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. Long-term debts are reported as an other financing source, and repayment of long-term debt is reported as other financing use. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon thereafter to pay liabilities of the current period. Accordingly, revenues are recorded when received in cash and when collected within 60 days after year-end. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized when due.

Jonesboro Fire Protection District  
Jonesboro, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

The Jonesboro Fire Protection District #1 reports the following major governmental funds:

General Fund - The primary operating fund of the District, the General Fund accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District policy.

*Revenues*

The governmental funds use the following practices in recording revenues:

Those revenues susceptible to accrual are charges for services.

Entitlements and shared revenues are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred, all other grant requirements have been met, and the susceptible-to-accrual criteria have been met.

Interest earnings are recorded when the investments have matured and the interest is available.

*Expenditures*

The governmental funds use the following practices in recording expenditures:

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Principal and interest on long-term debt are recognized when due.

*Other Financing Sources (Uses)*

The governmental funds use the following practices in recording other financing sources (uses):

Sales of fixed assets and long-term debt proceeds and payments are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

**E. Equity Classifications**

The Jonesboro Fire Protection District #1 has implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

In the Government-Wide Financial Statements, the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and reported in three components:

Jonesboro Fire Protection District  
Jonesboro, Louisiana

Notes to the Financial Statements  
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Net investment in capital assets: This classification consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

Restricted net position: This classification consists of net position with constraints placed on its use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted net position: Any other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

The Governmental Fund Financial Statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District did not have any nonspendable funds for the year ended June 30, 2017.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District did not have any restricted funds for the year ended June 30, 2017.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board typically establishes commitments through the adoption and amendment of the budget. The District did not have any committed funds for the year ended June 30, 2017.

Jonesboro Fire Protection District  
Jonesboro, Louisiana

Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

**Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Commissioners or through the Board delegating this responsibility to a body or official (Fire Chief) for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has no assigned funds for year ended June 30, 2017.

**Unassigned:** This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts. All funds of the District are designated as unassigned.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

#### **F. Budgets**

The Fire Chief prepares a proposed budget and submits it to the Board of Commissioners. The budget is adopted through passage of a formal motion and vote by the Board prior to the commencement of the fiscal year for which the budget is being adopted. The Board of Commissioners may revise or amend the budget at its discretion during legally convened sessions. The District utilizes formal budgetary integration as a management control device for all funds.

The 2016-2017 General Fund budget was published in the official journal and made available for public inspection. The budget was adopted by the Board of Commissioners on June 16, 2016. The budget had one amendment that was adopted by the Board of Commissioners on June 22, 2017.

#### **G. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Jonesboro Fire Protection District #1 may deposit funds in demand deposits in stock-owned federally insured depository institutions organized under the laws of the state of Louisiana or of any other state of the United States, or under the laws of the United States. The District may invest in certificates and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

For the purposes of the statement of cash flows, cash equivalents include all highly liquid investments with a maturity date of 90 days or less when purchased.

Under state law, the District may invest in United States bonds, treasury notes, or certificates. Those with maturities of 90 days or less would be classified as cash equivalents and all other reported as investments.

Jonesboro Fire Protection District  
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Notes to the Financial Statements  
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**H. Investments**

The Jonesboro Fire Protection District #1's investments comply with Louisiana Revised Statute 33:2955. Under state law, the Village may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes and bills, or government-backed agency securities or certificates, and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. These deposits are classified as investments if their original maturities exceed 90 days. Investments are stated at fair value except for those which are permitted under GASB Statement No. 31 to use a different valuation measurement.

In accordance with paragraph 69 of GASB Statement No. 72, the District reports at amortized cost money market investments and participating interest-bearing investment contracts that have a remaining maturity at the time of purchase of one year or less. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

**I. Capital Assets**

Capital assets, which include property, plant, and equipment, are recorded in the governmental column of the government-wide financial statements, but are not reported in the governmental fund financial statements. Acquisitions of property and equipment are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$500 or more for capitalizing capital assets.

Improvements and replacements of property and equipment are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reported in the Statement of Activities.

Furniture, fixtures, equipment	5-10
Motor vehicles - fire trucks	15 years
Buildings	40 years

**J. Deferred Outflows of Resources**

The District reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The District did not report any deferred outflows of resources, and no deferred outflows of resources affect the governmental funds financial statements.

Jonesboro Fire Protection District  
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Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

**K. Deferred Inflows of Resources**

The District reports increases in net position that relate to future periods as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The District will not recognize the related revenues until a future event occurs. The District did not report any deferred inflows of resources in the government-wide statements, and no deferred inflows of resources affect the governmental funds financial statements.

**L. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. Cash, Cash Equivalents, and Investments**

At June 30, 2017, the District had cash and cash equivalents (book balances) totaling \$68,020. 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.

At June 30, 2017, the District had \$68,020 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 federal deposit insurance. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 40, Louisiana Revised Statute 30:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. Louisiana R.S. 39:1224 requires bonds, or other such instruments furnished as security, to be deposited with the depositing authority or with an unaffiliated bank or trust company, Federal Reserve Bank, or any Federal Home Loan Bank or its successor. This security is deemed to be under the control and in the possession of the public entity and deemed to be held in its name. The Jonesboro Fire Protection District #1 has complied with these requirements of state law.

Cash and investments are categorized to give an indication of the level of risk assumed by the District at June 30, 2017. Deposits are considered to be exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the the pledging financial institution's trust department or agent but not in the depositor-government's name. The Jonesboro Fire Protection District #1 has cash and cash equivalents that are covered by \$250,000 of federal depository insurance.

At June 30, 2017, the District had investments of \$13,950.

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Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

**3. Receivables**

The receivables of \$12,893 at June 30, 2017, are as follows:

	Amount
Parcel fees	\$ 12,168
Protested checks	725
<b>Total</b>	<b>\$ 12,893</b>

**4. Capital Assets**

A summary of changes in capital assets for the year ended June 30, 2017, is as follows:

	Balance, July 01, 2016	Additions	Deletions	Balance, June 30, 2017
Capital assets being depreciated				
Buildings	\$ 66,139	\$ -	\$ -	\$ 66,139
Vehicles	455,779	856	-	456,635
Equipment	163,731	4,614	-	168,345
<b>Total capital assets being depreciated</b>	<b>685,649</b>	<b>5,470</b>	<b>-</b>	<b>691,120</b>
Less accumulated depreciation				
Buildings	33,070	1,653	-	34,723
Vehicles	277,273	18,602	-	295,875
Equipment	100,079	9,887	-	109,966
<b>Total accumulated depreciation</b>	<b>410,421</b>	<b>30,142</b>	<b>-</b>	<b>440,564</b>
<b>Capital assets, net</b>	<b>\$ 275,228</b>	<b>\$ (24,672)</b>	<b>\$ -</b>	<b>\$ 250,556</b>

Depreciation expense of \$30,142 was charged to the public safety function.

**5. Payables**

The payables of \$3,333 at June 30, 2017, are as follows:

	Amount
Accounts	\$ 3,333
<b>Total</b>	<b>\$ 3,333</b>

**6. Long-Term Obligations**

The District entered into a new lease-purchase agreement with Government Capital Corporation to acquire a 2013 Kenworth Pumper/Tanker at an interest rate of 4.121%. The agreement was signed on October 1, 2012 with the first payment due on September 1, 2013, and the lease-purchase matures on September 1, 2027. The Pumper/Tanker was placed in service at the time of the agreement, and it is included as a capital asset, being depreciated over the economic useful life.

Jonesboro Fire Protection District  
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Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

The following is a summary of the long-term obligation transactions for the year ended June 30, 2017:

Long-term obligation	Balance, July 01, 2016	Additions	Deletions	Balance, June 30, 2017
Capital lease obligation - 2013 Kentworth Pumper/Tanker	\$ 101,652	\$ -	\$ 6,718	\$ 94,934
Total	<u>\$ 101,652</u>	<u>\$ -</u>	<u>\$ 6,718</u>	<u>\$ 94,934</u>

The following is a summary of the current (due in one year or less) and the long-term (due in more than one

Long-term obligation	Current portion	Long-term portion	Total
Capital lease obligation - 2013 Kentworth Pumper/Tanker	\$ 6,995	\$ 87,939	\$ 94,934
Total	<u>\$ 6,995</u>	<u>\$ 87,939</u>	<u>\$ 94,934</u>

The following is a summary of the present value of the net minimum lease payments:

Year ending December 31:	2013 Kentworth Pumper/Tanke
2018	\$ 10,907
2019	10,907
2020	10,907
2021	10,907
2022	10,907
2023-2027	<u>54,537</u>
Total minimum lease payments	109,072
Less amounts representing interest	<u>21,135</u>
Present value of net minimum lease payments	<u>\$ 87,937</u>

**7. Retirement Plans**

The District does not participate in any pension or retirement plans.

**8. Grants**

During the year ended June 30, 2017, the Jonesboro Fire Protection District #1 did not receive a grant.

**9. Risk Management**

The District is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, and injuries to employees. To handle such risk of loss, the District maintains commercial insurance policies covering each of these risks of loss. The District believes such coverage is sufficient to preclude any significant uninsured losses to the District. No claims were paid on any of the policies during the past three years, which exceeded the policies' coverage amount.

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Notes to the Financial Statements  
As of and For the Year Ended June 30, 2017

**10. Litigation and Claims**

At June 30, 2017, the District was not involved in any lawsuits nor is aware of any outstanding claims, which are not covered by insurance.

**11. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 22, 2017, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Budgetary Comparison Schedule - General Fund  
For the Year Ended June 30, 2017

	Budget - Original	Budget - Final	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>				
Contributions	\$ -	\$ 5,000	\$ -	\$ (5,000)
Intergovernmental	9,000	9,000	9,363	363
Charges for services	55,000	55,000	53,356	(1,644)
<b>Total revenues</b>	<u>64,000</u>	<u>69,000</u>	<u>62,719</u>	<u>(6,281)</u>
<b>Expenditures</b>				
Current:				
Public safety				
Personnel services	6,000	6,000	4,220	1,780
Supplies	12,200	12,200	12,844	(644)
Repairs and maintenance	7,000	7,000	10,535	(3,535)
Contractual services	-	18,000	-	18,000
Insurance	10,000	10,000	10,285	(285)
Legal and accounting	5,000	9,000	1,743	7,257
Office	1,475	1,475	638	837
Capital outlay	10,000	10,000	5,470	4,530
<b>Total expenditures</b>	<u>51,675</u>	<u>73,675</u>	<u>45,735</u>	<u>27,940</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>12,325</u>	<u>(4,675)</u>	<u>16,984</u>	<u>21,659</u>
<b>Other financing sources (uses)</b>				
Interest earnings	300	300	89	(211)
Capital lease principal expenditures	(10,908)	(10,908)	(6,995)	3,913
Capital lease interest expenditures	-	-	(3,912)	(3,912)
Miscellaneous	5,000	4,925	4,925	-
<b>Total other financing sources (uses)</b>	<u>(5,608)</u>	<u>(5,683)</u>	<u>(5,893)</u>	<u>(210)</u>
<b>Net changes in fund balances</b>	6,717	(10,358)	11,091	21,449
<b>Fund balances - June 30, 2016</b>	<u>69,532</u>	<u>69,532</u>	<u>69,532</u>	<u>-</u>
<b>Fund balances - June 30, 2017</b>	<u>\$ 76,249</u>	<u>\$ 59,174</u>	<u>\$ 80,623</u>	<u>\$ 21,449</u>

See accountant's compilation report.

# **SUPPLEMENTAL INFORMATION**

Jonesboro Fire Protection District #1  
Jonesboro, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the year ended June 30, 2017

The Jonesboro Fire Protection District #1 does not provide compensation, reimbursements, or benefits to the Agency Head.