

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, 2016
with Supplemental Information Schedules**

Minda B. Raybourn
Certified Public Accountant
Limited Liability Company

820 11TH 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, 2016
With Supplemental Information Schedule**

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Minda B. Raybourn

*Certified Public Accountant
Limited Liability Company*

820 11TH AVENUE
FRANKLINTON, LOUISIANA 70438
(985) 839-4413
FAX (985) 839-4402

MEMBER
A.I.C.P.A.

MEMBER
L.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, 2016, 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 20 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 Other-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
June 20, 2017

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, 2016 were \$562,446 and exceeded liabilities by \$558,776 (i.e., net position). Of total net position, \$234,480 was unrestricted and available to support short-term operations, with the balance of \$324,296 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, 2016, was \$126,170 representing an approximate increase of 4% from total revenues for fiscal year December 31, 2015 of \$121,275. Non-operating revenues totaled \$2,560 for the fiscal year end.
- The District's program expenditures, consisting of those expenditures resulting from the District's ongoing operations, decreased by \$662 (1%) over the program expenditures for fiscal year ended December 31, 2015.
- The District had capital expenditures of \$2,353 and depreciation expense of \$23,754.

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, 2015	December 31, 2016	Dollar Change	Percent Change
Assets:				
Current And Other Assets	\$ 186,908	\$ 238,150	\$ 51,242	27.42%
Capital Assets	345,697	324,296	(21,401)	-6.19%
Total Assets	532,605	562,446	29,841	5.60%
Total Liabilities	3,444	3,670	226	6.56%
Net Position:				
Invested in Capital Assets, Net	345,697	324,296	(21,401)	-6.19%
Unrestricted	183,464	234,480	51,016	27.81%
Total Net Position	\$ 529,161	\$ 558,776	\$ 29,615	5.60%

The major change in current assets is an increase in cash of \$48,359.

The liabilities include pension deduction for \$3,670.

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 \$558,776 (net position). The balance of net position includes \$324,296 Invested in Capital Assets and \$234,480 in Unrestricted Net Position. The unrestricted assets are available to meet the ongoing needs of the District.

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

Management's Discussion and Analysis

Condensed Statement of Activities, and Changes in Net Position

	December 31, 2015	December 31, 2016	Dollar Change	Percent Change
Program Revenues	\$ 121,275	\$ 126,170	\$ 4,895	4.04%
Expenses:				
Operating Expenses	74,878	75,360	482	0.64%
Depreciation Expense	24,899	23,754	(1,145)	-4.60%
Total Expenditures	<u>99,777</u>	<u>99,115</u>	<u>(662)</u>	<u>-0.66%</u>
Operating Income (Loss)	21,498	27,055	4,233	19.69%
Non- Operating Revenues (Expenses)				
Other Income	5,600	2,560	(3,040)	-54.29%
	<u>5,600</u>	<u>2,560</u>	<u>(3,040)</u>	<u>-54.29%</u>
Change in Net Position	27,098	29,615	2,517	9.3%
Net Position, Beginning of Year	<u>502,063</u>	<u>529,161</u>	<u>27,098</u>	<u>5.40%</u>
Net Position, End of Year	<u><u>529,161</u></u>	<u><u>558,776</u></u>	<u><u>29,615</u></u>	<u><u>5.60%</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 \$4,895 (4.04%), while operating expenses increased \$482 (0.64%) and depreciation decreased by \$1,145 (4.60%). Non-operating revenues decreased by \$3,040 (54.29%).

Budgetary Highlight

The proposed budget for 2016 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 36% over budgeted revenues and actual expenditures were 20% under 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, 2016

	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
REVENUES:			
Ad valorem taxes	\$ 80,022	\$ 109,201	\$ 29,179
State revenue sharing	5,766	7,088	1,322
Insurance rebates	9,112	9,881	769
Other Income	-	2,560	2,560
Total Revenues	<u>94,900</u>	<u>\$ 128,730</u>	<u>33,830</u>
EXPENDITURES:			
Fuel, gas, and oil	9,000	2,805	6,195
Advertising	-	108	(108)
Bookkeeping	3,000	3,000	-
Dues & subscriptions	500	460	40
Capital outlay	26,000	2,353	23,647
Insurance	20,000	17,241	2,759
Legal & audit	5,000	4,750	250
Miscellaneous	6,000	1,440	4,560
Repairs and maintenance	20,700	6,966	13,734
Office supplies	-	3,603	(3,603)
Rental	-	30	(30)
Supplies	-	26,655	(26,655)
Travel	-	-	-
Utilities	5,000	3,644	1,356
Telephone	-	988	(988)
Training	1,500	-	1,500
Pension expense	-	3,670	(3,670)
Total expenditures	<u>96,700</u>	<u>77,713</u>	<u>18,987</u>
CHANGE IN FUND BALANCE	(1,800)	51,017	52,817
FUND BALANCE, JANUARY 1, 2016	<u>183,463</u>	<u>183,463</u>	<u>-</u>
FUND BALANCE, DECEMBER 31, 2016	<u>\$ 181,663</u>	<u>\$ 234,480</u>	<u>\$ 52,817</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, 2016, the District had \$661,525 of recorded in capital assets, less accumulated depreciation of \$356,195. 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, 2016:

	January 1, 2016	December 31, 2016	Dollar Change	Percent Change
Land	\$ 18,966	\$ 18,966	\$ -	0.00%
Fire Trucks	381,828	381,828	-	0.00%
Fire Stations	189,250	191,603	2,353	1.23%
Equipment	73,099	73,099	-	0.00%
Communication	14,995	14,995	-	0.00%
Subtotal	<u>678,138</u>	<u>680,491</u>	<u>2,353</u>	<u>0.35%</u>
Less Accumulated				
Depreciation	<u>(332,441)</u>	<u>(356,195)</u>	<u>(23,754)</u>	<u>7.15%</u>
Net Capital Assets	<u><u>345,697</u></u>	<u><u>324,296</u></u>	<u><u>(21,402)</u></u>	<u><u>-6.19%</u></u>

The District recorded depreciation expense for \$23,754. The District paid \$2,353 for building improvements.

FUTUER 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, 2016

	Governmental Activities
ASSETS:	
Cash and cash equivalents	\$ 123,215
Receivables	110,303
Prepaid expenses	4,633
Total current assets	238,150
Capital assets	
Land	18,966
Fire stations, truck, and equipments	661,525
Less accumulated depreciation	(356,195)
Total capital assets	324,296
Total Assets	\$ 562,446
LIABILITIES:	
Pension deduction	3,670
Deferred revenue	-
Total Liabilities	3,670
Net Position	
Invested in capital assets, net of related debt	324,296
Unrestricted	234,480
Total Net Position	\$ 558,776

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, 2016

PROGRAM EXPENSES:

Fuel, gas, and oil	\$ 2,805
Advertising	108
Bookkeeping	3,000
Dues & subscriptions	460
Depreciation expense	23,754
Insurance	17,241
Legal & audit	4,750
Miscellaneous	1,440
Repairs and maintenance	6,966
Office supplies	3,603
Rental	30
Supplies	26,655
Travel	-
Utilities	3,644
Training	-
Pension expense	3,670
Telephone	988
TOTAL PROGRAM EXPENSES	99,115

PROGRAM REVENUES:

Ad valorem taxes	109,201
State revenue sharing	7,088
Insurance rebates	9,881
Other income	2,560
Total Program Revenues	128,730

Change in Net Position	29,615
Beginning Net Position, January 1, 2016	529,161
Ending Net Position, December 31, 2016	\$ 558,776

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

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5
WASHINGTON PARISH GOVERNMENT
Angie, Louisiana
Balance Sheet
Governmental Funds
DECEMBER 31, 2016

	General Fund
ASSETS:	
Cash and cash equivalents	\$ 123,215
Receivables	110,303
Prepaid expenses	4,633
TOTAL ASSETS	\$ 238,150
 LIABILITIES:	
Pension deduction	\$ 3,670
Deferred revenue	-
Total Liabilities	3,670
 FUND BALANCE	
Nonspendable	4,633
Unassigned Fund Balances	229,847
Total Fund Balance	234,480
 TOTAL LIABILITIES AND FUND BALANCE	 \$ 238,150
 Reconciliation:	
Total governmental funds balances	\$ 234,480
Capital assets	324,296
Net position of government activities	\$ 558,776

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, 2016

	General
OPERATING REVENUES:	
Ad valorem taxes	\$ 109,201
State revenue sharing	7,088
Insurance rebates	9,881
Other Income	2,560
Total Revenues	128,730
EXPENDITURES:	
Fuel, gas, and oil	2,805
Advertising	108
Bookkeeping	3,000
Dues & subscriptions	460
Insurance	17,241
Legal & audit	4,750
Miscellaneous	1,440
Repairs and maintenance	6,966
Office supplies	3,603
Rental	30
Supplies	26,655
Travel	-
Utilities	3,644
Training	-
Pension expense	3,670
Telephone	988
Capital Outlay	2,353
Total operating expenditures	77,713
 CHANGE IN FUND BALANCE	 51,017
 FUND BALANCE, JANUARY 1, 2016	 <u>183,463</u>
 FUND BALANCE, DECEMBER 31, 2016	 <u><u>\$ 234,480</u></u>
 Reconciliation:	
Change in fund balance	\$ 51,017
Capital assets purchased	2,353
Current year depreciation	<u>(23,754)</u>
Change in net position	\$ 29,615

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, 2016**

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, 7th 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.

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

**Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2016**

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.

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.

**WASHINGTON PARISH GOVERNMENT
ANGIE, LOUISIANA**

**Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2016**

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 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.

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

**Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2016**

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.

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 on February 2, 2015 adopted the budget for the year ended December 31, 2015. The budget was amended at the December 1, 2015 meeting. For the year, the actual revenues were 36% over budgeted revenues and actual expenditures were 20% under budgeted expenditures.

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

**Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2016**

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, 2016**

L. 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."

M. 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.
- **Restricted** -These are amounts that can be spent only for 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.

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

**Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2016**

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 mills 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.

2016 Assessed Property Valued		\$ 10,229,930
Less		
Homstead Exemption		(2,886,202)
Taxable Value		\$ 7,343,728
15.02 Mills Assesment		\$ 153,654
Less		
Homstead Exemption		(43,351)
Taxable Value		\$ 110,303

NOTE-3 CASH AND CASH EQUIVALENTS

At December 31, 2016, the District has cash and cash equivalents totaling \$123,215 as follows:

Non-interest bearing demand deposits	<u>\$123,215</u>
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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, 2016, the District had \$123,430 in deposits (collected bank balances). These deposits were secured from risk by \$250,000 of the federal deposit insurance.

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

**Notes to the Financial Statements (Continued)
For the Year Ended December 31, 2016**

NOTE-4 RECEIVABLES

The following is a summary of receivables at December 31, 2016:

Class of Receivable	
Property tax Receivable	\$ 110,303

NOTE-5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016.

	Balance January 1, 2016	Additions	Deductions	Balance December 31 , 2016
Land(not Depreciable)	\$ 18,966	-	-	\$ 18,966
Fire Trucks	381,828	-	-	381,828
Fire Stations	189,250	2,353	-	191,603
Equipment	73,099	-	-	73,099
Communication	14,995	-	-	14,995
Subtotal	\$ 678,138	2,353	-	\$ 680,491
Less Accumulated				
Depreciation	(332,441)	(23,754)	-	(356,195)
Assets, net	\$ 345,697	\$ (21,402)	\$ -	\$ 324,296

The District recorded depreciation expense for \$23,754. The District incurred building improvements in the amount of \$2,353.

NOTE-6 LITIGATION AND CLAIMS

As of December 31, 2016, the District was not involved in any outstanding litigation or claims.

NOTE-7 RELATED PARTY TRANSACTION

There were no related party transactions as of December 31, 2016

REQUIRED SUPPLEMENTAL INFORMATION

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 5
WASHINGTON PARISH GOVERNMENT
Angie, Louisiana
Budgetary Comparison Schedule
General Funds
For the Year Ended December 31, 2016

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
REVENUES:				
Ad valorem taxes	\$ 80,022	\$ 80,022	\$ 109,201	\$ 29,179
State revenue sharing	5,766	5,766	7,088	1,322
Insurance rebates	9,112	9,112	9,881	769
Other Income	-	-	2,560	2,560
Total Revenues	<u>94,900</u>	<u>94,900</u>	<u>\$ 128,730</u>	<u>33,830</u>
EXPENDITURES:				
Fuel, gas, and oil	9,000	9,000	2,805	6,195
Advertising	-	-	108	(108)
Bookkeeping	3,000	3,000	3,000	-
Dues & subscriptions	500	500	460	40
Capital outlay	26,000	26,000	2,353	23,647
Insurance	20,000	20,000	17,241	2,759
Legal & audit	5,000	5,000	4,750	250
Miscellaneous	6,000	6,000	1,440	4,560
Repairs and maintenance	20,700	20,700	6,966	13,734
Office supplies	-	-	3,603	(3,603)
Rental	-	-	30	(30)
Supplies	-	-	26,655	(26,655)
Travel	-	-	-	-
Utilities	5,000	5,000	3,644	1,356
Telephone	-	-	988	(988)
Training	1,500	1,500	-	1,500
Pension expense	-	-	3,670	(3,670)
Total expenditures	<u>96,700</u>	<u>96,700</u>	<u>77,713</u>	<u>18,987</u>
CHANGE IN FUND BALANCE	(1,800)	(1,800)	51,017	52,817
FUND BALANCE, JANUARY 1, 2016	<u>183,463</u>	<u>183,463</u>	<u>183,463</u>	<u>-</u>
FUND BALANCE, DECEMBER 31, 2016	<u>\$ 181,663</u>	<u>\$ 181,663</u>	<u>\$ 234,480</u>	<u>\$ 52,817</u>

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, 2016**

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	12/31/2016
Daniel Keaton 27106 Military Rd Angie, La. 70426	12/13/2016
Hoyt "Chick" Boyd Jr. 30550 Dixie Street Angie, La. 70426	12/31/2017
Freddie Jefferson 30110 School Road Angie, La. 70426	12/31/2017
Charles Williams 28486 H.H. Williams Rd 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, 2016**

COMPENSATION, BENEFITS, AND OTHER PAYMENTS MADE TO AGENCY HEAD

Agency Head: Hoyt "Chick" Boyd, Jr., Chairman

There was no compensation, benefits, or other payments made to the Chairman of the District during 2016.

See accountant's compilation report