

**REPORT**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8  
Enon, Louisiana**

**Annual Financial Statements  
As of and for the Year  
Ended December 31, 2016**

*Minda B. Raybourn*

*Certified Public Accountant*

*Limited Liability Company*

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

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8  
WASHINGTON PARISH GOVERNMENT  
Enon, Louisiana**

**Annual Financial Statements  
As of and for the Year Ended December 31, 2016  
With Supplemental Information Schedules**

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# *Minda B. Raybourn*

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MEMBER  
A.I.C.P.A.

MEMBER  
L.C.P.A.

Board of Commissioners  
Washington Parish Fire  
Protection District No. 8  
Enon, Louisiana

Management is responsible for the accompanying financial statements of the governmental activities of the Washington Parish Fire Protection District No. 8, 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 District'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 the management's discussion and analysis on pages 2 through 8 and budgetary comparison on page 25 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 our 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.8.

*Minda Raybourn*

Minda B. Raybourn  
Certified Public Accountant  
June 29, 2017

## Management's Discussion and Analysis

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8**  
**WASHINGTON PARISH GOVERNMENT**  
**Enon, Louisiana**

**Management's Discussion and Analysis**

**Introduction**

Washington Parish Fire Protection District No. 8 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.

**Financial Highlights**

- Total assets at December 31, 2016 were \$621,084 and exceeded liabilities of \$23,505 by \$597,579 (net position). Of total net position, \$152,559 is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors. The balance of net position are invested in capital assets net of related debt (\$445,020). The condensed balance sheet is presented on governmental funds, but the financial highlights are presented on government-wide statements.
- Revenues consist primarily of ad valorem taxes and state revenue sharing. The total tax revenues for the fiscal year ending December 31, 2016 were \$130,368 representing an approximate decrease of 6.36% from total revenues for fiscal year ended December 31, 2015 of \$139,216.
- The District's operating expenditures for the governmental fund were \$136,320, consisting of those expenditures resulting from the District's ongoing operations. The District had a decrease of \$1,721 over 2015 expenditures of \$138,041. The government-wide statement of activities recorded depreciation expense of \$46,538.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8**  
**WASHINGTON PARISH GOVERNMENT**  
**Enon, Louisiana**

**Management's Discussion and Analysis**

**Overview of Annual Financial Report**

Management's Discussion and Analysis (MD&A) serves as an introduction to the basic financial statements. 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 addition 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 business. 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 position 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 government'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 statement** - 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 to the financial statements present information about the District's accounting policies, significant account balances and activities, commitments, contingencies, and subsequent events, if any. Supplementary information includes a comparative budget schedule.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8  
WASHINGTON PARISH GOVERNMENT  
Enon, Louisiana**

**Management's Discussion and Analysis**

**Financial Analysis**

**Statement of Net Position**

Included below is a condensed Statement of Net position for the District. The condensed format allows the reader to view the overall financial position of the District. An explanation of the components of this statement is included immediately following the table.

	December 31, 2015	December 31, 2016	Dollar Change	Percent Change
<b>Assets:</b>				
Current And Other Assets	\$ 151,842	\$ 156,836	4,994	3.29%
Capital Assets	500,517	464,248	(36,269)	-7.25%
<b>Total Assets</b>	<b>652,359</b>	<b>621,084</b>	<b>(31,275)</b>	<b>-4.79%</b>
<b>Liabilities</b>				
Current Liabilities	30,339	23,505	(6,834)	-22.53%
Long Term Liabilities	19,228	-	(19,228)	-100.00%
<b>Total Liabilities</b>	<b>49,567</b>	<b>23,505</b>	<b>(26,062)</b>	<b>-52.58%</b>
<b>Net Position</b>				
Invested in Capital Assets, Net	456,238	445,020	(11,218)	-2.46%
Unrestricted	146,554	152,559	6,005	4.10%
<b>Total Net Position</b>	<b>\$ 602,792</b>	<b>\$ 597,579</b>	<b>\$ (5,213)</b>	<b>-0.86%</b>

The liabilities consist of pension deductions from ad valorem taxes (\$4,277) and short-term debt (\$19,228).

See page 9 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 the change in net position over time serves as a useful indicator of a government's financial position. The District's assets at fiscal year-end exceed liabilities by \$597,579 (net position). Of the District's net position, \$445,020 is invested in capital assets net of related debt and \$152,559 in unrestricted net position. These unrestricted assets are available to meet the ongoing needs of the District.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8**  
**WASHINGTON PARISH GOVERNMENT**  
**Enon, Louisiana**  
**Management's Discussion and Analysis**

**Condensed Statement of Activities**

	December 31, 2015	December 31, 2015	Dollar Change	Percent Change
Program Expenses				
Public Safety	\$ 164,458	\$ 147,537	\$ 16,921	10.29%
General Revenues				
Advalorem Taxes	139,216	130,368	(8,848)	-6.36%
State Revenue Sharing	6,762	6,651	(111)	-1.64%
Insurance Rebate	5,932	5,305	(627)	-10.57%
	<u>151,910</u>	<u>142,324</u>	<u>(9,586)</u>	<u>-6.31%</u>
Change in Net Position	(12,548)	(5,213)	7,335	-58.46%
Net Position, Beginning of Year	<u>615,340</u>	<u>602,792</u>	<u>(12,548)</u>	<u>-2.04%</u>
Net Position, End of Year	<u>602,792</u>	<u>597,579</u>	<u>(5,213)</u>	<u>-0.86%</u>

The major expenditures within the Statement of Activities is depreciation of \$46,538 (325% of total expenses), followed by insurance expense of \$21,917 (15%), utilities and telephone of \$20,006 (14%), and repairs and supplies of \$18,273 (12%).

Ad valorem taxes are the primary source of revenue totaling \$130,368 (92% of total revenue) for the fiscal year ending, December 31, 2016.

**Analysis of Fund Financial Statements**  
**Governmental Fund**

The focus of the District's governmental fund is to provide information on near-term inflows, outflows and balances of spend able resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resource available for spending at year-end.

As of December 31, 2016, the District's governmental fund reported an ending balance of \$152,559 which represented an increase of \$6,004 over the previous year. Approximately 94% of this total (\$144,351) constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it is nonspendable for prepaid items (\$8,208).



**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8**  
**WASHINGTON PARISH GOVERNMENT**  
Enon, Louisiana

**Management's Discussion and Analysis**

**Budgetary Highlight**

The District approved the 2016 Original Budget at the January 4, 2016 meeting. The budget was amended at the August 1 2016 meeting. The District was not in compliance with the Local Budget Act which requires that budgeted revenues not exceed actual amounts by more than 5%. Budgeted revenues exceed actual by 5.12%. Actual expenditures, however, were within 5% of budgeted expenditures.

**Budget vs. Actual – Fiscal Year End December 31, 2016**

	Amended Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Ad valorem taxes	\$ 150,000	\$ 130,368	\$ (19,632)
State revenue sharing		6,651	6,651
Insurance rebate		5,305	5,305
Total Revenues	<u>150,000</u>	<u>142,324</u>	<u>(7,676)</u>
<b>EXPENDITURES:</b>			
Advertising	1,200	282	918
Fuel, gas, and oil	18,000	3,336	14,664
Disaster Relief	8,000	-	8,000
Building Repairs	4,000	3,758	242
Capital outlay	8,000	10,269	(2,269)
Computer Expense	2,000	1,893	107
Insurance expense	22,000	21,917	83
EMT Supplies	7,000	6,196	804
Lease		600	(600)
Licenses and Permits		-	-
Repairs and maintenance	15,200	13,536	1,664
Small Equipment		-	-
Supplies	13,000	18,273	(5,273)
Postage		-	-
Safety		-	-
Training	2,600	1,291	1,309
Utilities and telephone	17,400	20,006	(2,606)
Legal and accounting	3,400	3,550	(150)
Dues and Subscriptions	600	58	542
Uniforms		75	(75)
Pension expense		4,277	(4,277)
Debt service:			
Administrative			-
Principal retirement	25,649	25,052	597
Interest	1,951	1,951	-
Total expenditures	<u>150,000</u>	<u>136,320</u>	<u>13,680</u>
 NET CHANGE IN FUND BALANCE	 -	 6,004	 6,004
FUND BALANCE, JANUARY 1, 2016	<u>146,555</u>	<u>146,555</u>	<u>-</u>
FUND BALANCE, DECEMBER 31, 2016	<u>\$ 146,555</u>	<u>\$ 152,559</u>	<u>\$ 6,004</u>

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO 8  
WASHINGTON PARISH GOVERNMENT  
Enon, Louisiana**

**Management's Discussion and Analysis**

**Capital Assets**

At the end of the fiscal year December 31, 2016, the District had 464,248 (net of accumulated depreciation) recorded in 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 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 costs, of all assets acquired prior to 1989, have 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	10,035	10,035	-	0.00%
Firetrucks	859,051	869,319	10,269	1.20%
Fire Station	178,358	178,358	-	0.00%
Equipment	359,273	359,273	-	0.00%
Subtotal	1,406,717	1,416,985	10,269	0.73%
Less Accumulated Depreciation	(906,199)	(952,737)	(46,538)	5.14%
Net Capital Assets	<u>500,518</u>	<u>464,248</u>	<u>(36,269)</u>	<u>-7.25%</u>

Depreciation expense was recorded at \$46,538. The District purchased a 2008 GMC brush truck for \$10,549.

**Long-Term Debt**

Long-term debt obligations are as follows:

	January 1 2016	Additions	Deductions	December 31 2016
Lease Payable	44,280		(25,052)	19,228

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO 8  
WASHINGTON PARISH GOVERNMENT  
Enon, Louisiana**

**Management's Discussion and Analysis**

**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 # 8  
 WASHINGTON PARISH GOVERNMENT  
 Enon, Louisiana  
 Statement of Net Position  
 December 31, 2016

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 18,260
Property tax receivables	130,368
Other Receivables	-
Prepaid insurance	8,208
Capital assets	
Land	10,035
Building, trucks, and equipment	1,406,950
Less accumulated depreciation	<u>(952,737)</u>
<b>Total Assets</b>	<b><u>\$ 621,084</u></b>
<b>LIABILITIES:</b>	
Accounts Payable	-
Pension deduction	4,277
Long-term debt due in one year	19,228
Long-term debt due more than one year	-
<b>Total Liabilities</b>	<b><u>23,505</u></b>
<b>Net Position</b>	
Invested in capital assets, net of related debt	445,020
Unrestricted	152,559
<b>Total Net Position</b>	<b><u>\$ 597,579</u></b>

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

## STATEMENT B

WASHINGTON PARISH FIRE PROTECTION DISTRICT #8  
 WASHINGTON PARISH GOVERNMENT  
 Enon, Louisiana  
 STATEMENT OF ACTIVITIES  
 For the Year Ended December 31, 2016

EXPENSES:	
Advertising	\$ 282
Fuel, gas, and oil	3,336
Disaster relief	-
Building Repairs	3,758
Computer Expense	1,893
Insurance expense	21,917
Lease	600
EMT Supplies	6,196
Repairs and maintenance	13,536
Small Equipment	
Supplies	18,273
Postage	
Training	1,291
Utilities and Telephone	20,006
Legal and accounting	3,550
Dues and Subscriptions	58
Uniforms	75
Pension expense	4,277
Depreciation expense	46,538
Interest	1,951
Total Program Expenses	<u>147,537</u>
Program Revenues:	
Ad valorem taxes	130,368
State revenue sharing	6,651
Insurance rebate	5,305
Total Program Revenues	<u>142,324</u>
Change in Net Position	(5,213)
Beginning Net Position, January 1, 2016	<u>531,244</u>
Prior Period Entry (see note)	71,548
Ending Net Position, December 31, 2016	<u>\$ 597,579</u>

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

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO. 8  
 Enon, Louisiana  
 Balance Sheet  
 Governmental Funds  
 December 31, 2016

	<u>General Fund</u>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 18,260
Receivables	130,368
Other Receivable	-
Prepaid Insurance	8,208
<b>TOTAL ASSETS</b>	<u><u>\$ 156,836</u></u>
 <b>LIABILITIES AND EQUITY</b>	
<b>LIABILITIES:</b>	
Accounts Payable	-
Pension deductions	4,277
<b>Total Liabilities</b>	<u>4,277</u>
 <b>FUND BALANCE</b>	
Nonspendable	8,208
Unassigned	144,351
<b>Total Fund Balance</b>	<u>152,559</u>
 <b>TOTAL LIABILITIES AND EQUITY</b>	 <u><u>\$ 156,836</u></u>
 <b>Reconciliation Fund Balance To Statements of Net Position</b>	
Fund Balance	\$ 152,559
Invested in capital assets, Net of related debt	445,020
<b>Net Position</b>	<u><u>\$ 597,579</u></u>

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

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8  
 Enon, Louisiana  
 Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Governmental Funds  
 For the Period Ended December 31, 2016

	General
<b>REVENUES:</b>	
Ad valorem taxes	\$ 130,368
State revenue sharing	6,651
Insurance rebate	5,305
Total Revenues	142,324
<b>EXPENDITURES:</b>	
Advertising	282
Fuel, gas, and oil	3,336
Disaster Relief	-
Building Repairs	3,758
Capital Outlay	10,269
Computer Expense	1,893
Insurance expense	21,917
Lease	600
EMT Supplies	6,196
Repairs and maintenance	13,536
Small Equipment	-
Supplies	18,273
Postage	-
Training	1,291
Utilities & Telephone	20,006
Legal and accounting	3,550
Dues and Subscriptions	58
Uniforms	75
Pension expense	4,277
Debt service:	
Principal retirement	25,052
Interest	1,951
Total expenditures	136,320
 <b>NET CHANGE IN FUND BALANCE</b>	 6,004
 Fund balance, January 1, 2016 (as restated)	 <u>146,555</u>
 Fund balance, December 31, 2016	 <u><u>\$ 152,559</u></u>

See Accompany notes to financial statements and accountant's report



Statement E

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8  
Enon, Louisiana  
Reconciliation of Statement of Revenues , Expenditures, and  
Change in Net Position to Statement of Net Activity  
12/31/2016

Net Change in Fund Balance- Total Governmental funds	\$ 6,004
Debt Principle Payments	25,052
Capital Outlay	10,269
Depreciation expense	(46,538)
Change in Net Position	<u>\$ (5,213)</u>

See Accompany notes to financial statements and accountant's report

NOTES TO FINANCIAL STATEMENTS

**.WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8**  
**WASHINGTON PARISH GOVERNMENT**  
**Enon, Louisiana**  
**Notes to the Financial Statements**

**For the Year Ended December 31, 2016**

**NOTE 1 DESCRIPTION OF COMPONENT UNITY AND REPORTING**

The 1991 Louisiana Legislature, pursuant to Louisiana Revised statute 40:1491, created the Washington Parish Fire Protection Districts. Washington Parish Fire Protection District No.8 was created by an ordinance adopted on December 12, 1994, by the Washington Parish Government. 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 covers 43.7 square miles in a portion of Ward 6 in Washington Parish. There are no incorporated municipalities within the boundaries of the District. It serves approximately 4,325 people and businesses located within the boundaries of the District. The District operates out of two fire stations which are located as follows: Station No. 1 located at the corner of Spencer Road and Cemetery Road and Station No. 2 on Louisiana Highway 16. The District does not employ any compensated employees and, therefore, operates with a volunteer staff of firefighters.

**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:

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8**  
**WASHINGTON PARISH GOVERNMENT**  
**Enon, Louisiana**  
**Notes to the Financial Statements**

**For the Year Ended December 31, 2016**

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 this 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.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

**Government-Wide Statements**

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.

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8**  
**WASHINGTON PARISH GOVERNMENT**  
**Enon, Louisiana**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2016**

Fund Financial Statements

During the year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

**B. FUND ACCOUNTING**

The District uses funds to maintain its financial records during the year. A fund is a separate accounting entity with a self-balancing set of accounts.

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

- a. General Fund – the general operating fund of the District accounts for all financial resources, except those required to be accounted for in other funds.
- b. Debt Service Fund – The debt service fund accounts for transactions relating to resource retained and used for the payment of principle and interest on long-term obligation.

**C. BASIS OF ACCOUNTING**

The accompanying financial statements of the Washington Parish Fire Protection District No. 8 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, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*. 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

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8**  
**WASHINGTON PARISH GOVERNMENT**  
**Enon, Louisiana**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2016**

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 of 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 governmental-wide statements. Operating statements of governmental funds present increases (revenues), other financing sources and 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 non-governmental 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 in which the District has 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.

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**For the Year Ended December 31, 2016**

Expenditures

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

**D. DEPOSITS AND INVESTMENTS**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of the acquisition. State law and the District's investment policy allow the District to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

**E. RECEIVABLES AND PAYABLES**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**F. INVENTORIES AND PREPAID ITEMS**

Purchase of various operating supplies are regarded as expenditures at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items fund financial statements.

**G. RESTRICTED ASSETS**

Certain proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes are classified as restricted assets because their use is limited to specified expenditures.

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**H. CAPITAL ASSETS**

Capital assets are recorded as expenditures at the time purchased or constructed. No depreciation has been provided on general capital assets. All capital assets are valued at historical cost or estimated historical cost. Donated assets are valued at fair market value on the date donated. The costs of all assets acquired prior to 1989 have been valued using estimated historical cost.

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

**I. COMPENSATED ABSENCES**

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

**J. LONG-TERM OBLIGATIONS**

Long-term obligations expected to be financed from Governmental Funds are reported in the debt service fund.

**K. NET POSITION**

In the government wide financial statements, equity is classified as net position. The District has the following categories 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 position 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 though constitutional provisions or enabling legislation.
- Unrestricted – This component of net position consists of assets and liabilities that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”



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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 District.
- **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

**L. EXTRAORDINARY AND SPECIAL ITEMS**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence.

**M. ESTIMATES**

The preparation of financial statements in conformance with accounting principles generally accepted in the United States of America requires 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, and expenses during the reported period. Actual results could differ from those estimates.

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**NOTE 3 - LEVIED TAXES**

On April 29, 1995, the District offered two tax propositions to the voters of the District for funding fire protection. A 6 mill tax for the purpose of acquiring, constructing, improving, maintaining and/or operating fire protection facilities and equipment in and for the District, and paying the cost of obtaining water for fire protection purposes for a period of 10 years beginning 1995 and ending with the year 2005 was passed by voters of the District. This proposition was renewed by the voters of the District on April 5, 2014. For the period covered by these financial statements, the millage was 10.90 mills.

2016 Assessed property value	14,838,260
Less: Homestead Exemption	<u>(2,886,111)</u>
Taxable Value	<u><u>11,952,149</u></u>

	General
	Fund
10.90 Mill Assessment	<u>130,278</u>
Net Assessment	<u><u>130,278</u></u>

**NOTE 4 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The District approved the 2016 Original Budget at the January 4, 2016 meeting. The budget was amended at the August 1, 2016 meeting. The District was not in compliance with the Local Budget Act which requires that budgeted revenues not exceed actual amounts by more than 5%. Budgeted revenues exceed actual by 5.12%. Actual expenditures, however, were within 5% of budgeted expenditures.

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**NOTE 5 - CASH AND CASH EQUIVALENTS**

At December 31, 2016, the District has cash and cash equivalents of \$18,260 in a non –interest bearing account.

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 \$18,260 in deposits. These deposits were secured from risk by \$250,000 of federal deposit insurance.

**NOTE 6 - RECEIVABLES**

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

	<u>General Fund</u>
Ad Valorem	<u>130,368</u>

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**NOTE 7 - CAPITAL ASSETS**

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

	January 1			December 31
	2016	Additions	Disposals	2016
Fire Trucks	\$ 859,051	10,269		\$ 869,320
Fire Station	178,358			178,358
Equipment	359,273			359,273
Depreciable Assets	1,396,682	10,269	-	1,406,951
Accumulated Depreciation	(906,199)	(46,538)		(952,737)
Net Depreciable Assets	490,483	(36,269)	-	454,214
Land	10,035			10,035
Total Assets	<u>\$ 500,518</u>	<u>(36,269)</u>	<u>-</u>	<u>\$ 464,249</u>

Depreciation expense was recorded at \$46,538. The District purchased a 2008 GMC brush truck for \$10,549.

**NOTE 8 - LONG-TERM DEBT**

The following is a summary of the long-term obligation transactions during the year:

	January 1			December 31	Amount Due
	2016	Additions	Deductions	2016	Within 1 Year
Lease Payable	44,280		(25,052)	19,228	19,228

**Capital Lease Purchase Agreement:**

The District entered into another Municipal Lease-Purchase Agreement with Sovereign Bank, Inc. for the purchase of a 3,500 gallon, equipped tanker truck. The lease is for \$210,144, with the ten payments in the amount of \$27,004 due September 15, 2008 and annually thereafter. The truck was delivered in October 2007. Payment was delayed until September 15, 2008. The debt service is shown below and will be financed with general fund revenues.

Both lease agreements contain a non-appropriation clause allowing the District to terminate the lease at the end of any fiscal year should funds for the succeeding fiscal period not be available for appropriation for lease payments. Notice must be given to Lessor at least sixty days prior to the first day of such fiscal period for which appropriations cannot be made.

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The annual sinking fund requirements are to amortize all bonds and lease purchase debt outstanding at December 31, 2016, including interest of \$847:

YEAR	Interest	Lease Obligation Principal	Total
2017	847	19,228	20,075
TOTAL	847	19,228	20,075

**NOTE 9 - PRIOR PER ADJUSTMENT**

A prior period adjustment of \$71,548 was required to restate the accounts receivable and property tax revenues for 2015. The assessor's millage report for 2015 showed the millage at 6.00 mills and ad valorem revenues of \$67,825. The report was incorrect. It should have stated 12.00 mills and \$135,651 for ad valorem revenues.

**NOTE 10 - LITIGATION AND CLAIMS**

As of December 31, 2016, there were no litigations or claims against the District.

**NOTE 11 - RELATED PARTY TRANSACTIONS**

There were no related party transactions requiring disclosure in the financial statements.

**NOTE 12 - SUBSEQUENT EVENTS**

There were no subsequent events requiring disclosure in the financial statements.

## SUPPLEMENTAL INFORMATION

Schedule I

WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8

Enon, Louisiana

Statement of Revenues, Expenditures, and changes for Fund Balance-Budget and Actual  
General Fund

For the Year Ended December 31, 2016

	Amended Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Ad valorem taxes	\$ 150,000	\$ 130,368	\$ (19,632)
State revenue sharing		6,651	6,651
Insurance rebate		5,305	5,305
Total Revenues	<u>150,000</u>	<u>142,324</u>	<u>(7,676)</u>
<b>EXPENDITURES:</b>			
Advertising	1,200	282	918
Fuel, gas, and oil	18,000	3,336	14,664
Disaster Relief	8,000	-	8,000
Building Repairs	4,000	3,758	242
Capital outlay	8,000	10,269	(2,269)
Computer Expense	2,000	1,893	107
Insurance expense	22,000	21,917	83
EMT Supplies	7,000	6,196	804
Lease		600	(600)
Licenses and Permits		-	-
Repairs and maintenance	15,200	13,536	1,664
Small Equipment		-	-
Supplies	13,000	18,273	(5,273)
Postage		-	-
Safety		-	-
Training	2,600	1,291	1,309
Utilities and telephone	17,400	20,006	(2,606)
Legal and accounting	3,400	3,550	(150)
Dues and Subscriptions	600	58	542
Uniforms		75	(75)
Pension expense		4,277	(4,277)
Debt service:			
Administrative			-
Principal retirement	25,649	25,052	597
Interest	1,951	1,951	-
Total expenditures	<u>150,000</u>	<u>136,320</u>	<u>13,680</u>
 NET CHANGE IN FUND BALANCE	 -	 6,004	 6,004
 FUND BALANCE, JANUARY 1, 2016	 <u>146,555</u>	 <u>146,555</u>	 <u>-</u>
 FUND BALANCE, DECEMBER 31, 2016	 <u>\$ 146,555</u>	 <u>\$ 152,559</u>	 <u>\$ 6,004</u>

See accountant's report.

**Schedule II**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8  
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SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 2016**

**COMPENSATION PAID 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.

See accountant's report.



**Schedule III**

**WASHINGTON PARISH FIRE PROTECTION DISTRICT NO.8  
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SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 2016**

COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

Agency Head: Mr. Tim Magee, Chairman

There was no compensation, benefits, or other payments to the agency head during 2016.

See accountant's report.