

OAK GROVE FIRE DISTRICT
Oak Grove, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
As of and for the Year Ended
December 31, 2015
With Supplemental Information Schedules

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Accountant's Compilation Report

BOARD OF COMMISSIONERS
OAK GROVE FIRE DISTRICT
Oak Grove, Louisiana

I have compiled the accompanying general purpose financial statements, as listed in the foregoing table of contents, of the Oak Grove Fire District, a component unit of the West Carroll Parish Police Jury, as of December 31, 2015, and for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. 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 for placing the basic financial statements in an appropriate operational, economic, or historical context.

The management's budgetary comparison information on page 5 is presented for purposes of additional analysis. Such information, although not a required 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. 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, I do not express an opinion or provide any assurance on such supplementary information.



West Monroe, Louisiana
April 14, 2016

**GENERAL PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

OAK GROVE FIRE DISTRICT
 Oak Grove, Louisiana
 ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, December 31, 2015

	<u>GENERAL FUND</u>	<u>GENERAL FIXED ASSETS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
ASSETS			
Cash	\$60,254		\$60,254
Receivables - sales tax	7,379		7,379
Land, buildings, and equipment		<u>\$708,027</u>	<u>708,027</u>
TOTAL ASSETS AND OTHER DEBITS	<u>\$67,633</u>	<u>\$708,027</u>	<u>\$775,660</u>
LIABILITIES AND FUND EQUITY			
Liabilities - accounts payable	<u>\$11,383</u>		<u>\$11,383</u>
Total Liabilities	<u>11,383</u>	<u>NONE</u>	<u>11,383</u>
Fund Equity:			
Investment in general fixed assets		\$708,027	708,027
Fund balance: unassigned	<u>56,250</u>		<u>56,250</u>
Total Fund Equity	<u>56,250</u>	<u>708,027</u>	<u>764,277</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$67,633</u>	<u>\$708,027</u>	<u>\$775,660</u>

See accompanying notes and accountant's report.

OAK GROVE FIRE DISTRICT
Oak Grove, Louisiana
GOVERNMENTAL FUND TYPE -
GENERAL FUND

Statement of Revenues, Expenditures,
and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Sales taxes	\$100,000	\$100,199	\$199
Fire Insurance Rebate	15,000	13,992	(1,008)
Local grant	5,400	1,200	(4,200)
Other revenues	<u>13,000</u>	<u>14,526</u>	<u>1,526</u>
Total revenues	<u>133,400</u>	<u>129,917</u>	<u>(3,483)</u>
EXPENDITURES			
Public safety - current:			
Operating services	59,220	116,979	(82,029)
Materials and supplies	27,900	24,452	3,448
Capital outlay	<u>60,900</u>	<u>7,995</u>	<u>52,905</u>
Total expenditures	<u>148,020</u>	<u>149,426</u>	<u>(1,406)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(14,620)	(19,509)	4,889
FUND BALANCE AT BEGINNING OF YEAR	<u>50,000</u>	<u>75,759</u>	<u>25,759</u>
FUND BALANCE AT END OF YEAR	<u><u>\$35,380</u></u>	<u><u>\$56,250</u></u>	<u><u>\$30,648</u></u>

See accompanying notes and accountant's report.

OAK GROVE FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Oak Grove Fire District was created by the West Carroll Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492 on July 11, 1988. The district is governed by a five member board appointed by the police jury. Board members serve without compensation. The district is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the West Carroll Parish Police Jury is the financial reporting entity for West Carroll Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary 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.

Governmental Accounting Standards Board (GASB) Statement 4 established criteria for determining which component units should be considered part of the West Carroll Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. 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 police jury 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 police jury.

OAK GROVE FIRE DISTRICT

Oak Grove, Louisiana

Notes to the Financial Statements (Continued)

2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
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 police jury created the district, appoints the commissioners of the district, and has the ability to impose its will on the district, the district was determined to be a component unit of the West Carroll 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 West Carroll Parish financial reporting entity.

B. FUND ACCOUNTING

The district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The district's current operations require the use of only a governmental fund type. The governmental fund type of the district is described as follows:

OAK GROVE FIRE DISTRICT

Oak Grove, Louisiana

Notes to the Financial Statements (Continued)

General Fund

The General Fund is the general operating fund of the district and is used to account for all financial activities not required to be accounted for in other funds. Primary funding is provided by a sales tax approved by voters of the district, state fire insurance rebates, and interest earnings on investments.

**C. FIXED ASSETS AND
LONG-TERM DEBT**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. Fixed assets are valued at actual historical costs. No depreciation has been provided on general fixed assets. Approximately 87 per cent of general fixed assets are valued at actual cost while the remaining 13 per cent are valued at estimated cost, based on the actual historical cost of like items. The account group is not a "fund", it is concerned only with the measurement of financial position and does not involve measurement of results of operations.

The Oak Grove Fire District has no long-term debt at the end of the year.

D. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All 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 for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The district uses the following practices in recognizing and reporting revenues and expenditures:

OAK GROVE FIRE DISTRICT

Oak Grove, Louisiana

Notes to the Financial Statements (Continued)

Revenues

Sales taxes are recognized in the month received by the district's collection agent, the West Carroll Parish School Board.

Other intergovernmental revenues are recorded when the district is entitled to the funds.

Interest income on demand deposits is recorded when the interest has been earned and the amount is determinable.

Based on the above criteria, sales taxes and other intergovernmental revenues have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. BUDGET PRACTICES

A preliminary budget for the ensuing year is prepared by the board of commissioners in November and made available to the public. The budget is then adopted during the regular December meeting. The proposed budget for the General Fund is prepared on the modified accrual basis of accounting. The budget is established and controlled by the board of commissioners at the object level of expenditure. Encumbrance accounting is not used by the board. Appropriations lapse at year-end and must be approved by the board of commissioners.

Formal budgetary integration is employed as a management control device during the year. Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments.

F. CASH

Under state law, the district may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The district may invest in certificates and time deposits of state banks

OAK GROVE FIRE DISTRICT

Oak Grove, Louisiana

Notes to the Financial Statements (Continued)

organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2015, the district has cash and cash equivalents (book balances) totaling \$60,254.

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. All deposits are fully secured by federal deposit insurance at December 31, 2015.

G. SALES TAX

On April 1, 2006, voters of the parish approved the renewal of a one-half of one per cent sales tax to be dedicated and used to provide fire protection in the eight fire protection districts in the parish through the acquisition, construction, improvement, operation and maintenance of equipment, property and facilities to be used in providing such fire protection, including payment of the costs of training and obtaining water for fire protection purposes and the payment of debt service on debt obligations issued for such purposes. The tax was renewed for a period of ten years and will expire on January 1, 2027. By an agreement between the police jury and the West Carroll Parish School Board, the school board served as the collection agent for the sales tax.

H. RISK MANAGEMENT

The fire district is exposed to various risk of loss related to torts: theft of, damage to, and destruction of assets; and injuries to employees. To handle such risk of loss, the fire district maintains a commercial insurance policy covering property, employee liability, and public officials liability. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2015.

I. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the combined balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with U.S.

OAK GROVE FIRE DISTRICT
 Oak Grove, Louisiana
 Notes to the Financial Statements (Continued)

generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CHANGES IN GENERAL FIXED ASSETS

The following presents changes in general fixed assets for the year ended December 31, 2015:

	<u>Balance</u> <u>January 1,</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31,</u>
Land, buildings, and improvements	\$53,722	\$45,381		\$99,103
Vehicles and equipment	<u>600,929</u>	<u>7,995</u>	<u>NONE</u>	<u>608,924</u>
Total	<u>\$654,651</u>	<u>\$53,376</u>	<u>NONE</u>	<u>\$708,027</u>

3. LITIGATION AND CLAIMS

The district is not involved in any litigation at December 31, 2015, nor is it aware of any unasserted claims.

OAK GROVE FIRE DISTRICT
Oak Grove, Louisiana

Schedule of Compensation, Benefits and Other Payments to Agency Head
For the Year Ended December 31, 2015

MYRL SISTRUNK, FIRE CHIEF

PURPOSE	AMOUNT
No compensation paid	<u>NONE</u>