

GOODWILL FIRE DISTRICT

Oak Grove, Louisiana

**Report on Audit of
Basic Financial Statements
Year Ended December 31, 2018**

PREPARED BY:

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GOODWILL FIRE DISTRICT
Oak Grove, LA

Financial Statements
Year Ended December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Goodwill Fire District
Oak Grove, LA

Report on the Financial Statements

I have audited the accompanying financial statements of the business-type activities of Goodwill Fire District (the district), a component unit of the West Carroll Parish Police Jury, as of and for the year ended, December 31, 2018, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITOR'S REPORT

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Goodwill Fire District, as of December 31, 2018, and the respective changes in financial position, and cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The accompanying supplementary information, Compensation paid Commissioners, Schedule of Findings and Responses, Summary Schedule of Findings, and Schedule of Compensation, Benefits and other payments to Agency Head or Chief Executive Officers, is listed in the table of contents under Supplementary Information presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been

INDEPENDENT AUDITOR'S REPORT

subjected to the auditing procedures applied in the audit of the basic financial statements, therefore, I express no opinion on it.

Other Reporting Required by Government *Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated June 15, 2019, on my consideration of the Goodwill Fire District's internal control over financing reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Goodwill Fire District's internal control over financial reporting and compliance.



Jimmie Self, CPA
Monroe, Louisiana
June 15, 2019

Required Supplementary Information (part 1)

Goodwill Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2018

Our Management Discussion and Analysis (MD&A) of the Goodwill Fire District (the district) provides an overview of the activities for the year ended December 31, 2018, with selected comparative information for the years ended December 31, 2017 and December 31, 2018.

The prior period report (a compilation report) was for a twelve month period beginning January 1, 2017 and ending December 31, 2017. Due to increase in income, the compilation report was updated to an audit report.

The MD&A is a format for reporting the information required by the Governmental Accounting Standards Board Statement Number 34 (known as GASB 34) which is now required for reporting the financial activities of all state and local governmental units. It is only a part of the financial report as presented in the annual financial audit for the fiscal year and should be read and considered with the financial statements, notes to the financial statements, and the audit report as a whole.

Financial Highlights

The district is being reported as a business-type activity – a fire district.

This annual report consists of a series of financial statements. The basic financial statements are:

Statement of Net Position

The Statement of Revenues, Expenses, and Changes in Net Position

The financial statements are prepared on an accrual basis of accounting in accordance with accounting principals generally accepted in the United States of America, as promulgated by the Government Accounting Standards Board (GASB). See the notes to the financial statements for a summary of the System's significant accounting policies.

The *Statement of Net Position* depicts the System's financial position at December 31, 2018, at the end of the district's fiscal year. The statement shows all the financial assets and liabilities of the district. Capital assets are capitalized and are depreciated (except land) over their estimated useful lives. Certain funds are reported as restricted based upon restraints placed on their use by contributors, grants, and debt covenants.

The *statement of revenues, expenses, and changes in net position* reports total operating revenues, operating expenses, non operating income and expenses, capital contributions, and other changes in net position during the fiscal year ending December 31, 2018. All changes in net position are reported as the underlying event giving the changes occurred, regardless of the timing of the cash flows. Revenues are recognized when earned, not when received. Expenses are recognized when incurred, not when paid.

Goodwill Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2018

Financial Position Summary

These reports provide information about the funds maintained by the System as a whole and about its activities in a way that helps to answer one of the most important questions asked about The System's finances, "Is the System, as a whole, better off or worse off as a result of the year's activities?" These statements include all assets and liabilities using the accrual basis of accounting used by most private sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash was received or paid.

These statements report the System's net position and changes in those assets. The net assets, the difference between the assets and the liabilities, is one way to measure the summary of the basic government-wide financial statements as follows:

SUMMARY OF THE STATEMENT OF NET POSITION

December 31, 2018

ASSETS	12/31/2018	12/31/2017	Difference
Current Assets	125,078	129,159	(4,081)
Property and Equipment, Net	992,111	692,917	299,194
Total Assets	1,117,189	822,076	295,113
LIABILITIES			-
Current Liabilities	9,000	-	9,000
Long-Term Liabilities	73,000	91,000	(18,000)
Total Liabilities	82,000	91,000	(9,000)
Net Position:			-
Invested in Capital Assets	910,111	601,917	308,194
Restricted for Capital Assets	13,000	13,887	(887)
Unrestricted	112,078	115,272	(3,194)
Total Net Position	1,035,189	731,076	304,113
Total Liabilities and Fund Equity Net Position	1,117,189	822,076	295,113

Goodwill Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2018

For the Year ended June 30, 2018

General Revenues	12/31/2018	12/31/2017	Difference
Parish Sales Taxes	76,619	67,822	8,797
Miscellaneous	12,568	1,336	11,232
Grant Funds	348,372	-	348,372
Transferred in	13,307	12,100	1,207
Total General Revenues	450,866	81,258	369,608
Expenditures/Expenses			
Fire Protection-Operations	837	9,610	(8,773)
Firefighting Equipment	5,590	-	5,590
Accounting	4,061	-	4,061
Capital Outlay	388,628	58,955	329,673
Debt Service-Principal	5,000	11,193	(6,193)
Insurance	20,874	19,623	1,251
Training	248	212	36
License and Fees	-	99	(99)
Miscellaneous	1,813	3,604	(1,791)
Repairs and Maintenance	10,683	9,132	1,551
Parts and Repairs	1,300	-	1,300
Interest	967	2,390	(1,423)
Transfers out	9,200	12,100	(2,900)
Utilities	4,885	6,245	(1,360)
Vehicles	861	654	207
Total Expenditures/Expenses	454,947	133,817	321,130
Change In Net Postion-General Fund	(4,081)	(52,559)	48,478
Change In Net Postion-Other Funds	299,196		
Total Change in Net Position:	295,115		

Governmental Activities

For the prior period ended December 31, 2017, the System's assets exceeded its liabilities by \$731,076 (Net Assets). This was an Increase of \$404 over the prior year.

For the current year ended December 31, 2018, the System's assets exceeded its liabilities by \$1,035,189 (Net Assets). This was an increase of \$304,113.

Unrestricted Net Assets \$112,078 represent the portion available to maintain the System's obligation to both citizens and creditors at the close of the year ended December 31, 2018. This is a decrease of \$3,194 over the prior one year period.

**Goodwill Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2018**

FINANCIAL ANALYSIS OF THE FUNDS

As the District completed the prior year ended December 31, 2017, the enterprise fund reported total assets of \$822,078. At the conclusion of the current year ended December 31, 2018, the enterprise fund reported total assets of \$1,117,189.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Total assets of \$692,917 were reported for the prior year ending 12-31-2017, as a compilation, and no depreciation was claimed.

As of the close of the current year ended December 31, 2018, the System showed Capital Assets with an investment of \$1,081,543, and a net value of \$992,111 after depreciation of \$89,432, as shown below.

CAPITAL ASSETS – PROPERTY, PLANT & EQUIPMENT

Total Capital Assets Investment - December 31, 2017	692,915
Additions – 2018	388,628
Total Capital Assets Investment – December 31, 2018	1,081,543
Less - Accumulated Depreciation	-89,432
Total Net Capital Assets – December 31, 2018	992,111

There were no capital outlays for the prior twelve months ended 12/31/2017.

Debt

As of December 31, 2017, the beginning of the current year (2018), the System had notes payable to Louisiana Facilities Authority in the amount of \$91,000.

During the current year ending 12/31/2018, the System had a notes payable to Louisiana Facilities Authority in the total amount of \$82,000. Below is a summary of that transaction.

**Goodwill Fire District
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2018**

NOTE 9. NONCURRENT LIABILITIES

12/31/2016 USDA	Principal added	Principal paid	Interest	Balance
12/31/2017				91,000
12/31/2018		9,000		82,000

Non-Current Liabilities shown on pages 19-20, consist of 2 Notes Payable: On May 4, 2016, the District received a bond issue in the amount of \$75,000, and on May 24, they received a loan from the Louisiana Public Facilities Authority in the amount of \$75,000, total of \$100,000, which was outstanding @12-31-2016. The District has 10 years in which to pay the bond balance, and the District has opened a sinking fund in which they transfer \$1100 per month to pay this debt.

ECONOMIC FACTORS AFFECTING THE UPCOMING YEAR'S BUSINESS

The continued growth of the economy throughout the year of 2018, and the resulting trends of increased employment in the United States has caused further growth for many individuals and businesses. It is not possible to predict the long-term effects of these trends and how they will affect this community, including prices of fuel, repairs, materials, and equipment, and other items of expense to the System.

Contacting The Office's Financial Management

This Management Discussion and Analysis is designed to provide our citizens and taxpayers with a general overview for the funds maintained by the System and to show accountability for the money it receives. If you have any questions or need additional financial information, contact Goodwill Fire District, Judy Owens 6983 Hwy. 585, Oak Grove, Louisiana 71263.

General Purpose Financial Statements

**Goodwill Fire District
Oak Grove, LA**

EXHIBIT A

**Governmental Funds Balance Sheet/
Statement of Net Position
For the Year Ended December 31, 2018**

ASSETS	General Fund	Total	Adjustments	Statement of Net Position
Cash	103,958	103,958	-	103,958
Investments	21,120	21,120	-	21,120
Capital Assets, net of accumulated depreciation	-	-	992,111	992,111
Total Assets	<u>125,078</u>	<u>125,078</u>	<u>992,111</u>	<u>1,117,189</u>
LIABILITIES				
Long-term Liabilities				
Due within one year:	-	-	9,000	-
Due after one year	-	-	73,000	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>82,000</u>	<u>-</u>
Fund Balance/Net Position				
Fund Balances				
Restricted for debt service	13,000	13,000	-	13,000
Unassigned	112,078	112,078	-	112,078
Total fund balances	<u>125,078</u>	<u>125,078</u>	<u>-</u>	<u>125,078</u>
Net Position				
Net investment in capital assets				910,111
Total Net Position				<u>1,035,189</u>
Due within one year				9,000
Due after one year				73,000
Total Liabilities and fund Balances	<u>125,078</u>	<u>125,078</u>	<u>(125,078)</u>	<u>1,117,189</u>

Note:

Capital assets used in Governmental Activities are not current financial resources, neither are liabilities, and, therefore, they are not reported in the governmental funds

See accompanying notes to financial statements.

**Goodwill Fire District
Oak Grove, LA**

EXHIBIT B

**Governmental Funds, Statement of Revenues, Expenditures, and Changes in Fund Balance/
Statement of Activities
For the Year Ended December 31, 2018**

	<u>General Fund</u>	<u>Capital Assets</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
General Revenues						
Parish Sales Taxes	\$ 76,619	-	-	\$ 76,619	-	\$ 76,619
Miscellaneous	12,568	-	-	12,568	-	12,568
Grant Funds	348,372	388,628	-	737,000	388,628	348,372
Transferred in	13,307	-	-	13,307	-	13,307
Total General Revenues	<u>450,866</u>	<u>388,628</u>	<u>-</u>	<u>839,494</u>	<u>388,628</u>	<u>450,866</u>
Expenditures/Expenses						
Fire Protection Operations	47,152	-	-	47,152	-	47,152
Capital Outlay	388,628	-	-	388,628	-	388,628
Depreciation	-	89,432	-	89,432	89,432	-
Debt Service						
Principal	9,000	-	-	9,000	-	9,000
Interest	967	-	-	967	-	967
Transfers out	9,200	-	-	9,200	-	9,200
Total Expenditures/Expenses	<u>454,947</u>	<u>89,432</u>	<u>-</u>	<u>544,379</u>	<u>89,432</u>	<u>454,947</u>
				295,115	299,186	
Excessive of revenues over expenditures/expenses	(4,081)	299,196	-	295,115	-	(4,081)
Change in net position	-	-	-	-	-	295,115
Fund balance/net position						
Beginning of year	129,159	692,915	-	822,074	-	822,074
End of Year	<u>\$ 125,078</u>	<u>\$ 992,111</u>	<u>\$ (82,000)</u>	<u>\$ 1,035,189</u>	<u>-</u>	<u>\$ 1,035,189</u>

See accompanying notes to financial statements

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NOTES

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2018

This legal entity was established to provide fire protection for the political subdivision of Ward 3, an area in and around the community of Goodwill, in the parish of West Carroll, Louisiana. This entity operates independent of any other parish governing body, but functions under the guidelines set forth by the West Carroll Parish Police Jury. The District operates under the direction of a board of directors. All members of the board serve with no compensation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Goodwill Fire District have been prepared in conformity with the generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard- setting body for establishing governmental accounting and financial reporting principles

B. REPORTING ENTITY

As the governing authority of the parish for reporting purposes, the West Carroll Police Jury is the financial entity for West Carroll Parish. The financial 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 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 West Carroll Police Jury 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. The criteria include:

1. Appointing a voting majority of an organization's governing body, and The ability of the police jury to impose its will on that organization and/or the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
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's financial

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2018

statements would be misleading if data of the organization is not included because of the nature of significance of the relationship.

Because the Goodwill Fire District is fiscally dependent on the police jury, 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 other governmental units that comprise the financial reporting entity.

C. 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 relating 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 asset and 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 measurement of financial position, not with the measurements of results of operations.

The only fund for the District is the governmental fund. Governmental funds account for the District's general activities, including collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include:

General Fund – The general operating fund of the District accounts for all financial activities, except for those required to be accounted for in other funds.

D. BASIS OF ACCOUNTING

The accounting of financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. Operating statements for these funds present increases and decreases in net current assets. The modified accrual basis of

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2018

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:

Revenues:

All revenues are recorded when the District is entitled to the funds.

Expenditures:

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

E. BUDGET PRACTICES

The proposed budget, prepared on the GAAP basis of accounting, was prepared and adopted by the board of commissioners in December prior to the start of the new year. The budget is established and controlled by the board of commissioners at the object level of expenditure. Encumbrance accounting is not utilized in the District's records. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners. Formal budgetary integration is not employed as a management control device during the year.

F. CASH AND CASH EQUIVALENTS

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 state in the union, or the laws of the United States. The District may invest in certificates and time deposits of state banks under Louisiana law and national banks having principal offices in Louisiana. If the original maturities are 90 days or less, they are classified as cash equivalents.

The 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 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 bank in a holding or custodial bank that is mutually acceptable to both parties.

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2018

G. RISK MANAGEMENT

The Fire District carries insurance to cover various risks of loss related to torts: theft of, damage to, and destruction of assets; and injuries to employees. To handle such risks of loss, the police jury maintains insurance coverage on the fire District. The policy covers general liability, property, employee liability, and public officials' liability.

H. PROPERTY AND EQUIPMENT

Fixed assets of the Company are valued at historical cost and are included on the balance sheet of the fund, net of accumulated depreciation. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight line, MACRS methods and amounted to \$89,432. No depreciated had been reported in prior years, since a compilation financial report was issued. The estimated useful lives of the assets are as follows:

Vehicles	3-7 years
Tools	3-5 years
Office Furniture & Equipment	4-10 years
Trucks and Equipment	25-39 years

I. COMPENSATED ABSENCES

The District has no employees therefore there is no policy relating to vacation and sick leave.

J. LONG-TERM DEBT

The District acquired long-term debt as shown in Note #6.

K. FUND EQUITY

Reserves:

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use.

Designated Fund Balances:

Designated fund balances represent tentative plans for future use of financial resources.

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2018

L. SALES TAX REVENUES

In 1997 the West Carroll Parish Police Jury passed a ½% sales tax for fire protection in West Carroll Parish. This tax is divided among the fire protection Districts for this purpose. This was a 10-year tax.

The tax was again placed before the people in a 2006 voting referendum and was approved for re-enactment in 2007. It was re-enacted in 2017. The proceeds from this tax are collected by the police jury and are passed along to the District on a monthly basis.

M. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum only to indicate that they are presented only to facilitate financial analysis.

N. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principals 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 reporting period. Actual results could differ from these estimates.

NOTE 2. CASH AND CASH EQUIVALENTS

The Goodwill Fire District maintains its checking account in the Regions Bank in Oak Grove, Louisiana. The District had a reconciled balance of \$103,958 in its checking account on December 31, 2018, and a balance in its sinking fund of \$21,120, of which \$13,000 annually is restricted to pay its newly accumulated long-term debt as shown in Note # 6. The Total of \$125,078 cash accounts are insured by the FDIC in the amount of \$250,000. The district has no known policy for custodial risk.

INVESTMENT:

The District has no Investments.

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2018

NOTE 3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

CHANGES IN GENERAL FIXED ASSETS	Balance December 31,2017	Additions	Depreciation	Balance December 31,2018
Land and Buildings	10,000	-	-	10,000
Buildings	267,516		-	267,516
Trucks and Equipment	474,352	388,628	89,432	773,549
	<u>692,917</u>	<u>388,628</u>	<u>89,432</u>	<u>992,111</u>

NOTE 4. RELATED PARTY TRANSACTIONS

There are no related party transactions to disclose as required by FASB 57.

NOTE 5. LITIGATION AND CLAIMS

The Goodwill Fire District is not a defendant in any litigation seeking damages.

NOTE 6. CHANGES IN LONG-TERM DEBT

May 4, 2016, the District received a bond issue in the amount of \$75,000, and on May 24, they received a loan from the Louisiana Public Facilities Authority in the amount of \$75,000, total of \$100,000, which was outstanding @12-31-2016. The District has 10 years in which to pay the bond balance, and the District has opened a sinking fund in which they transfer \$1100 per month to pay this debt as shown below:

The annual requirements to amortize all long-term debt outstanding as of December 31, 2018, are as follows:

	Principal	Interest	Total Paid	Balance
Bond: Interest Rate: 2.85%				71,000
2018	4,000	1,955	5,955	67,000
2019	4,000	1,852	5,852	63,000
2020	5,000	1,723	6,723	58,000
2021-2026	58,000	5,530	63,530	0

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2018

Louisiana Public Facilities Authority: Interest Rate 1.425%				
	Principal	Interest	Total Paid	Balance
2018	5,000	250	5,250	15,000
2019	5,000	178	5,178	10,000
2020	5,000	106	5,106	5,000
2021	5,000	36	5,2021	0
	20,000	1,046	21,046	

SUBSEQUENT EVENTS

Subsequent events were evaluated by management up to and including the issue date of this report, June 15, 2019. There were no subsequent events noted which would affect the financial statements for the year ended December 31, 2018.

NOTE 8. POST-EMPLOYMENT BENEFITS

The district has no employees. Therefore there are no provisions made for post-employment benefits of any kind.

NOTE 9. 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 volunteers. To handle such risk of loss, the district maintains coverage on the fire district through Emergency Services Insurance Program offered by McNeil and Company through the Bernard Insurance Agency, LLC in Shreveport, LA., with workers comp provided by The Hartford Company/LWCC. The policy covers general liability, property, employee liability, workers compensation, and public officials' liability. No claims were paid on any of the policies during the past three years that exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2018.

Other Independent Auditor's Reports

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron St, Suite C
Monroe, LA 71201
Phone (318) 323-4656 • Fax (318) 388-0724

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Goodwill Fire District.
Oak Grove, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business activities of Goodwill Fire District., (a non-profit organization), as of and for the year ended December 31, 2018, and the related notes to the financial statements which collectively comprise the Goodwill Fire District's basic financial statements, and have issued my report thereon dated June 15, 2019.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered the System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, I do not express an opinion on the effectiveness of the System's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the System's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that I consider to be a significant deficiency in internal control over financial reporting, as item #2018-01.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item # 2018-01.

Goodwill Fire District's Response to Findings

The System's response to the findings identified in my audit is described in the accompanying schedule of findings and responses. The System's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the system's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management of the System, others within the System, and the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.

specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA
Monroe, Louisiana
June 15, 2019

GOODWILL FIRE DISTRICT
COMPENSATION PAID COMMISSIONERS
For the year ended December 31, 2018

The names of the commissioners who serve on the board are listed below. They are as follows:

John Paul Posey
6681 Hwy 585
Oak Grove, LA 71263
428-8877
680-7937

William Stutts
733 Hwy 2
Oak Grove, LA 71263
282-3533

Kathleen Burgess
912 Wardline Rd
Oak Grove, LA 71263
282-3448
428-3604

Veda Bankston
1042 Vick Rd
Oak Grove, LA 71263
428-2821

William Moden
4548 Hwy 2
Oak Grove, LA 71263
428-2680

Board members receive no type of compensation.

**SUPPLEMENTARY
INFORMATION SCHEDULES**

Goodwill Fire District

**Statement of Revenues, Expenditures,
and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year ended December 31, 2018**

	<u>Actual</u>	<u>Budget</u>	<u>Difference</u>
501 West Carrol PJ Sales Tax	76,619	71,000	5,619
515 Misc Income	12,568	-	12,169
520 Grant Funds	348,372	348,000	372
Transferred In	13,307	13,300	(7)
Total Income	<u>450,866</u>	<u>419,000</u>	<u>31,866</u>
Expense			
705 Operations	837	-	(837)
710 Department Vehicles	861	-	(861)
Debt Service	5,000	5,000	-
720 Training	248	250	(2)
730 Insurance	20,874	21,000	(126)
735 Interest	967	-	(967)
750 Miscellaneous	1,813	2,000	(187)
755 Utilities	4,885	5,000	(115)
760 Maintenance and Repair	10,683	10,300	383
765 Parts and Repairs	1,300	2,500	(1,200)
770 Capital Outlay-Firefighting	388,628	389,000	(372)
780 Transfer to Sinking Fund	9,200	13,000	(3,800)
Accounting	4,061	2,500	1,561
Firefighter Equipment	5,590	5,000	590
Supplies	-	350	350
Vehicles (Fuel)	-	1,000	1,000
Total Expense	<u>454,947</u>	<u>456,900</u>	<u>(1,953)</u>
Net Ordinary Income	<u>(4,081)</u>	<u>(37,900)</u>	<u>33,819</u>
Net Income	<u><u>(4,081)</u></u>	<u><u>(37,900)</u></u>	<u><u>33,819</u></u>

**Goodwill Fire District
Oak Grove, Louisiana**

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer

12-31-2018 Year Ended

Agency Head Name: John Pauley Posey, President

Purpose	Amount
Salary	0
Benefits-insurance	0
Benefits-retirement	0
Benefits-<list any other here>	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses*	0
Special meals	0
	0

Please Note:

No compensation of any kind is paid to any agency head, chief executive, board member, or anyone else. This is strictly a VOLUNTEER fire District.

JIMMIE SELF, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
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SCHEDULE OF FINDINGS AND RESPONSES
GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

FINDINGS 2018-1

CRITERIA: Duties should be distributed among employees

CONDITION: Inadequate segregation of duties

CONTEXT: The district has only one person for handling the duties of the office personnel.
Office duties are a part-time job (Volunteer).

EFFECT OF CONDITION: Internal control is weakened by the limited staff. Risk is mitigated and internal control is strengthened by the continuing oversight of the board.

CAUSE OF CONDITION: The staff consists of only one person.

RECOMMENDATION: Hire more employees and redistribute duties.

CLIENT RESPONSE: This would be impractical and cannot be remedied due to lack of funds. The condition is mitigated to a great extent by the continuing close scrutiny of the Board of Directors.

FINANCIAL IMPACT OF FINDING: Findings without cause. Resolution of finding is under the control of the agency and would be cost effective.

Findings for the Prior Year Ended December 31, 2017

FINDING 2017-1

CRITERIA: Duties should be distributed among employees

CONDITION: Inadequate segregation of duties

CONTEXT: The district has only one person for handling the duties of the office personnel.
Office duties are a part-time job.

EFFECT OF CONDITION: Internal control is weakened by the limited staff. Risk is mitigated and internal control is strengthened by the continuing oversight of the board.

CAUSE OF CONDITION: The staff consists of only one person.

RECOMMENDATION: Hire more employees and redistribute duties.

CLIENT RESPONSE: This would be impractical and cannot be remedied due to lack of funds. The condition is mitigated to a great extent by the continuing close scrutiny of the Board of Directors.

FINANCIAL IMPACT OF FINDING: Findings without cause. Resolution of finding is under the control of the agency and would be cost effective.