

**KILBOURNE VOLUNTEER
FIRE DISTRICT**

Kilbourne, Louisiana

Compiled Financial Statements
Year Ended June 30, 2015

PREPARED BY:

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Kilbourne Volunteer Fire District
Kilbourne, Louisiana

Dear Board Members,

I have compiled the accompanying statement of financial position of Kilbourne Volunteer Fire District, a component unit of the West Carroll Parish Police Jury, State of Louisiana, as of June 30, 2015, and the related statements of activities and cash flows, (if applicable), 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 for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the 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 the 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 not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

The Schedule of Compensation Paid Commissioners, the Schedule of Findings and Responses, and the Schedule of Compensation, Benefits, and other payments to the Agency Head, on pages 13, 14, and 15, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have compiled the Schedule of Compensation Paid Commissioners, the Findings and Responses, and the Compensation, Benefits, and other Payments to the Agency Head, from information that is the representation of management of the Fire District, without audit or review. Accordingly, I do not express an opinion or provide any assurance on the supplementary information.

The Kilbourne Volunteer Fire District did not adopt the provisions of Governmental Accounting Standards Board Statement No. 34 for the year ended June 30, 2015. The effects of this departure from generally accepted accounting principles has not been determined.



JIMMIE SELF, CPA
MONROE, LOUISIANA
December 05, 2015

GENERAL PURPOSE FINANCIAL STATEMENTS

KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, LA

STATEMENT A

ALL FUND TYPES AND ACCOUNT GROUPS
Statement of Net Position
6/30/2015

	Governmental Fund Type <u>General Fund</u>	ACCOUNT GROUP <u>Capital Assets</u>	Totals Memorandum Only
ASSETS AND OTHER DEBITS:			
Cash in Bank	\$ 33,546	\$ -	\$ 33,546
Investments	180,224	-	\$ 180,224
Land, Buildings, and Equipment	-	899,275	\$ 899,275
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 213,770</u>	<u>\$ 899,275</u>	<u>\$ 1,113,045</u>
LIABILITIES AND FUND EQUITY:			
LIABILITIES	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	-	899,275	899,275
Undesignated	213,770	-	213,770
TOTAL Net Position	<u>\$ 213,770</u>	<u>\$ 899,275</u>	<u>\$ 1,113,045</u>

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, LA

STATEMENT B

GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES
BUDGET (GAAP BASIS) AND ACTUAL
For the Year Ended June 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
West Carroll Parish Police Jury Sales Tax	\$ 71,367	\$ 71,367	\$ -
2% Insurance Rebate	5,595	5,595	-
Interest Income	5,935	13	5,922
Transfer of Cds	-	22,125	(22,125)
Total Revenues	<u>82,897</u>	<u>99,100</u>	<u>(16,203)</u>
EXPENDITURES			
Current - Public Safety:			
Awards	-	1,200	(1,200)
Bank Charges	-	139	(139)
Charity	-	125	(125)
Education	-	354	(354)
Fuel	1,000	206	794
Gas and electric	-	572	(572)
Insurance	11,000	10,390	610
Lawn Maintenance	-	520	(520)
Office Supplies	-	179	(179)
Pest Control	-	400	(400)
Postage and delivery	-	96	(96)
Professional Service	5,400	4,970	430
Equipment supplies	-	2,080	(2,080)
Repairs and Maintenance	10,000	7,216	2,784
Utilities	-	1,946	(1,946)
Telephone	7,300	2,524	4,776
Miscellaneous	6,000	828	5,172
Capital Outlay-equipment	13,000	10,140	2,860
Trans fers	25,900	-	-
Total Expenditures	<u>79,600</u>	<u>43,885</u>	<u>35,715</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,297</u>	<u>55,215</u>	<u>(51,918)</u>
Change in Net Position	3,297	55,215	(51,918)
Fund Balance/Net Position:			
Beginning of the year	89,444	158,555	(69,111)
End of the year	<u>\$ 92,741</u>	<u>\$ 213,770</u>	<u>\$ (121,029)</u>

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANT'S COMPILATION REPORT.

NOTES TO FINANCIAL STATEMENTS

KILBOURNE VOLUNTEER FIRE DISTRICT

Kilbourne, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2015

The Kilbourne Volunteer Fire District was established to provide fire protection to an area within and surrounding the towns of Kilbourne and Terry, located in the extreme northeast corner of the Parish of West Carroll, Louisiana. The fire district operates independent of any other parish governing body, but functions under the guidelines set forth by the West Carroll Parish Police Jury. The Kilbourne Volunteer Fire District, hereinafter referred to as the District, operates under the direction of a five-member board of commissioners, two appointed by the West Carroll Parish Police Jury, one elected at large, and two elected from within the Village of Kilbourne. All board members serve without financial compensation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general-purpose financial statements of the Kilbourne Volunteer Fire District have not 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. The Kilbourne Volunteer Fire District did not adopt the provisions of Governmental Accounting Standards Board Statement No. 34 for the year ended June 30, 2015. The effects of this departure from generally accepted accounting principles has not been determined.

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 Governmental Accounting Standards Board 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
 - 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.

KILBOURNE VOLUNTEER FIRE DISTRICT

Kilbourne, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2015

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

Because the Kilbourne Volunteer 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 governmental funds are also used for the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the district include:

1. General Fund – The general operating fund of the district and 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

KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

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. The budget is established and controlled by the board of commissioners at the object level of expenditure. 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. Budgeted amounts included in the accompanying financial statements included the original adopted budget.

F. ENCUMBRANCE ACCOUNTING

Encumbrance accounting is not used by the District.

G. 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 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.

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 securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal amount on deposit with the fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash balances are fully secured by the FDIC.

KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

H. INVESTMENTS

Investments are limited by the Louisiana Revised Statute R. S. 33:2955 and the political subdivision's investment policy. If original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. All investments are bank certificates of deposit and are stated at cost. The District's certificates of deposit are fully secured by the FDIC.

I. CAPITAL ASSETS

Capital assets are recorded as expenditures at the time purchased or constructed, and reported on the balance sheet as Account Group – Capital Assets. No depreciation has been provided on capital assets. All capital assets are valued at historical cost. The cost of normal maintenance and repairs that do not add to the value of capital assets or materially extend their lives are not capitalized.

J. COMPENSATED ABSENCES

The district has no paid employees. Therefore there is no policy relating to vacation and sick leave. All participants in the fire protection services provided by the fire district are voluntary.

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.

L. SALES TAXES

In 1997 the West Carroll Parish Police Jury passed a ½% sales tax for fire protection in West Carroll Parish. This was a 10-year tax. The Fire Protection Tax was re-enacted in a parish referendum in 2006. It was again voted in as a 10-year tax. The proceeds of this tax are divided among the fire protection districts of the parish for this purpose. Tax funds are collected and distributed among the various fire districts on a monthly basis by the Police Jury.

M. TOTAL COLUMNS ON STATEMENTS

KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not represent the financial position or result of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a compilation.

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 Kilbourne Volunteer Fire District maintains its checking accounts in the Capital One Bank in Oak Grove, Louisiana, and the West Carroll Community Bank in Oak Grove, Louisiana. The district had balances respectively of \$-15, \$1,994, \$461, \$2,983, and \$28,123, for a total balance in its checking accounts on June 30, 2015 of \$33,546. The accounts are insured by the FDIC in amounts up to \$250,000 in each bank for a total of \$500,000 and are sufficiently collateralized.

NOTE 3. INVESTMENTS

The Kilbourne Volunteer Fire District maintains certificates of deposit in the Woodmen of the World Corporation in the amounts of \$100,841, \$25,105, and \$54,278, totaling \$180,224. These are stated at cost on the enclosed Statement A. The certificates of the accounts are insured by the FDIC up to \$250,000 and are sufficiently collateralized.

NOTE 4. CHANGES IN CAPITAL ASSETS

A summary of changes in Capital Assets follows:

	Balance June 30,2014	Additions	Deletions	Balance June 30,2015
Fixed Assets	\$ 889,135	10,140	0	\$899,275
Total	\$ 889,135	10,140	0	\$ 899,275

NOTE 5. CHANGES IN LONG-TERM DEBT

As of June 30, 2015 the district has no long-term debt.

NOTE 6. RELATED PARTY TRANSACTIONS

KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

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

NOTE 7. LITIGATION AND CLAIMS

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

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. SUBSEQUENT EVENTS

Subsequent events were evaluated by management up to and including the issue date of this report, December 5, 2015. There were no subsequent events noted which would affect the financial statements for the year ended June 30, 2015.

NOTE 10. 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 with insured as West Carroll Firemen's Association through VFIS of Miss/Lou, 9456 Jefferson Highway -Suite C, Baton Rouge, LA, 70809. 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 June 30, 2015.

SUPPLEMENTARY INFORMATION SCHEDULES

KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, Louisiana.
SCHEDULE OF COMPENSATION PAID COMMISSIONERS
For the year ended June 30, 2015

Schedule 1

The names of the commissioners who serve on the board of the Kilbourne Volunteer Fire District are listed below:
They all serve without any financial compensation. They are as follows:

Roy Brown - Active President
HWY 880
Oak Grove, LA 71263
Phone: 318-282-1437

Howard Tullos - Board Member
P. O. Box 234
Kilbourne, LA 71253
318/428-8561

Roger Maxwell – Board Member
P. O. Box 171
Kilbourne, LA 71253
318/428-8664

Joy Renn Whitney – Board Member
18960 Hwy 585
Oak Grove, LA 71263
318/428-2018

Donald Robinson – Board Member
P. O. Box 1462
Oak Grove, LA 71263
318/428-8026

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SCHEDULE OF FINDINGS AND RESPONSES
KILBOURNE VOLUNTEER FIRE DISTRICT
Kilbourne, Louisiana

Finding 2015-1

CRITERIA: Duties should be distributed among various employees

CONDITION: Inadequate segregation of duties

CONTEXT: Kilbourne Volunteer Fire District has no employees and therefore no work force in place for handling the duties of the office personnel. All persons with the fire district are volunteers.

EFFECT OF CONDITION: Internal control is weakened by a limited staff

CAUSE OF CONDITION: The staff consists of one individual performing office duties

RECOMMENDATION: Hire more employees and redistribute duties.

CLIENT RESPONSE: Management states this cannot be remedied due to lack of funds.

Prior Year Findings and Responses
for the year ended June 30, 2014

FINDING 2014-1

CRITERIA: Duties should be distributed among various employees

CONDITION: Inadequate segregation of duties

CONTEXT: Kilbourne Volunteer Fire District has no employees and therefore no work force in place for handling the duties of the office personnel. All persons with the fire district are volunteers.

EFFECT OF CONDITION: Internal control is weakened by a limited staff

CAUSE OF CONDITION: The staff consists of one individual performing office duties

RECOMMENDATION: Hire more employees and redistribute duties.

CLIENT RESPONSE: Management states this cannot be remedied due to lack of funds.

CRITERIA: Duties should be distributed among various employees

CONDITION: Inadequate segregation of duties

Kilbourne Volunteer Fire District
Kilbourne, Louisiana

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

Agency Head Name: Roy Brown

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

All board members, including Mr. Roy Brown, President, receive **no** compensation , or any other benefits.