

GOODWILL FIRE DISTRICT

Oak Grove, Louisiana

**Compiled Financial Statements
Year Ended December 31, 2016**

PREPARED BY:

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GOODWILL FIRE DISTRICT
Oak Grove, LA

Compiled Financial Statements
Year Ended December 31, 2016

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Independent Accountant's Compilation Report

Board of Directors
Goodwill Fire District
Oak Grove, Louisiana

Management is responsible for the accompanying financial statements of Goodwill Fire District, a component unit of the West Carroll Parish Police Department, which comprise the balance sheet as of December 31, 2016, and the related statements of revenues, expenditures, and changes in fund balance budget (GAAP Basis) and actual and the related notes to the financial statements 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 American Institute of Certified Public Accountants. 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following supplementary information be provided to supplement the basic financial statements:

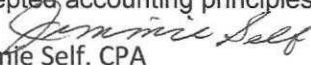
Management's Discussion and Analysis
Budgetary Comparison Schedule

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. The Management Discussion and Analysis, 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Supplementary Information

The accompanying schedule of compensation paid commissioners, schedule of benefits, and other payments to the agency head, political subdivision head, or chief executive officer, and schedule of findings and responses is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to my compilation engagement, but I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

The Goodwill Fire District did not adopt the provisions of Governmental Accounting Standards Board Statement No. 34 for the year ended December 31, 2016. The effects of this departure from generally accepted accounting principles has not been determined.


Jimmie Self, CPA
Monroe, Louisiana

June 8, 2017

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

GOODWILL FIRE DISTRICT
Oak Grove, LA

STATEMENT A

ALL FUND TYPES AND ACCOUNT GROUPS
COMBINED BALANCE SHEET

DECEMBER 31, 2016

	Governmental Fund Type General Fund	Account Groups General Fixed Assets	Total Memo Only
<u>ASSETS AND OTHER DEBITS</u>			
Cash in Bank, Checking	\$ 174,945	\$ -	\$ 174,945
Restricted Fund (Sinking Fund)	6,768	-	6,768
Fixed Assets	-	633,962	633,962
TOTAL ASSETS AND OTHER DEBITS	\$ 181,713	\$ 633,962	\$ 815,675
<u>LIABILITIES AND FUND EQUITY:</u>			
LIABILITIES	\$ -	\$ 100,000	\$ 100,000
TOTAL LIABILITIES	\$ -	\$ 100,000	\$ 100,000
FUND EQUITY			
Investments in General Fixed Assets	-	\$ 533,962	\$ 533,962
FUND BALANCE			
Restricted for Debt Service	6,768	-	6,768
Undesignated	\$ 174,945	-	\$ 174,945
TOTAL FUND BALANCE	181,713		181,713
TOTAL LIABILITIES AND FUND EQUITY	\$ 181,713	\$ 633,962	\$ 815,675

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

**GOODWILL FIRE DISTRICT
OAK GROVE, LA**

STATEMENT B

**GOVERNMENTAL FUND TYPE - GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL**

FOR FOR THE YEAR ENDED DECEMBER 31 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
West Carroll Parish Police Jury Sales Tax	\$ 70,000	71,500	\$ 70,350	(1,150)
Bond Funds	3,333	100,000	75,000	(25,000)
LPFA Funds	-	-	25,000	25,000
Fire Tax Rebate	7,000	7,000	-	(7,000)
Grants	-	-	4,198	4,198
Transfers to Sinking Fund	-	6,768	6,768	-
Other	-	100	7,833	7,733
	80,333	185,368	189,149	3,781
Total Revenues	80,333	185,368	189,149	3,781
EXPENDITURES				
Current - Public Safety:				
Operating services	22,500	31,775	22,975	8,800
Fuel	2,200	1,800	-	1,800
Training	-	-	2,263	(2,263)
Material and Supplies	-	-	9793	-9793
Miscellaneous	4,000	5,000	7,772	(2,772)
Utilities	17,000	7,000	3,237	3,763
Maintenance and Repairs	25,000	20,000	19,888	112
Capital Outlay	-	100,000	100,000	-
	70,700	165,575	165,928	(353)
Total Expenditures				
Excess of revenues over expenditures	4,633	19,793	23,221	-3428
Change in Net Position				
Fund Balance/net position				
Beginning of the year	86,966	91,599	158,492	(66,893)
End of year	91,599	111,392	181,713	(70,321)
				3,428

SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANT'S COMPILATION REPORT.

NOTES

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2016

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 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 Goodwill Fire District did not adopt the provisions of Governmental Accounting Standards Board Statement No. 34 for the year ended 12-31-2016. The effects of this departure from generally accepted accounting principles have 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 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.

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2016

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 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

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2016

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 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, 2016

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. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost. The cost of normal maintenance and repairs that do not add to the value of fixed assets or materially extend their lives are not capitalized.

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.

L. SALES TAX REVENUES

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2016

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. 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. 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 Goodwill Fire District maintains its checking account in the Regions Bank in Oak Grove, Louisiana. The District had a reconciled balance of \$174,945 in its checking account on December 31, 2016, and a balance in its sinking fund of \$6,768, which is Restricted to pay its newly accumulated long-term debt as shown in Note # 6. . The Total \$181,713, cash accounts are insured by the FDIC in the amount of \$250,000.

INVESTMENT:

The District has no Investments.

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2016

NOTE 3. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

CHANGES IN GENERAL FIXED ASSETS	Balance December 31,2015	Additions	Deletions	Balance December 31,2016
Land and Buildings	10,000	-	-	10,000
Buildings	108,563	100,000-	-	208,563
Trucks and Equipment	395,511	19,888	-	415,399
	<u>514,074</u>	<u>119,888</u>	<u>-</u>	<u>633,962</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 is 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, 2015, are as follows:

	Principal	Interest	Total Pd	Balance
Bond: Interest Rate: 2.85%				
2016	75,000	913	0	75,000
2017	4,000	2,070	6,070	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	5,486	63,486	0
	<u>75,000</u>	<u>13,999</u>	<u>88,999</u>	

GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

Notes to the Financial Statements
For the Year ended December 31, 2016

Louisiana Public Facilities Authority: Interest Rate 1.425%

	Principal	Interest	Total Pd	Balance
2016	<u>25,000</u>	155	155	25,000
2017	<u>5,000</u>	320	5,320	20,000
2018	<u>5,000</u>	250	5,250	15,000
2019	<u>5,000</u>	178	5,178	10,000
2020	<u>5,000</u>	106	5,106	5,000
	<u>5,000</u>	<u>36</u>	<u>5,201</u>	<u>0</u>
	<u>25,000</u>	<u>1,046</u>	<u>26,046</u>	

SUBSEQUENT EVENTS

Subsequent events were evaluated by management up to and including the issue date of this report, June 8, 2017. There were no subsequent events noted which would affect the financial statements for the year ended December 31, 2016.

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, 2016.

**SUPPLEMENTARY
INFORMATION SCHEDULES**

GOODWILL VOLUNTEER FIRE DISTRICT
Oak Grove, Louisiana

SCHEDULE OF COMPENSATION PAID COMMISSIONERS
For the year ended December 31, 2016

The names and addresses of the commissioners who serve on the Board of Directors of the Goodwill Volunteer Fire District are listed below. They all serve without any financial compensation. They are as follows:

John Paul Posey – Board President
6681 Hwy 585
Oak Grove, LA 71263
318/428-8877

William Stutts – Board Member
733 Hwy 2
Oak Grove, LA 71263
318/428-8811

Veda Bankston – Board Member
1042 Vick Road
Oak Grove, LA 71263
318/428-2821

Kathleen Burgess
912 Wardline Rd
Oak Grove, LA 71263
318/428-3604

William Moden – Board Member
4548 Hwy 2
Oak Grove, LA 71263
318/428-2680

Judy Owens – Secretary
6983 Highway 585
Oak Grove, LA 71263
318/428-2102

**Goodwill Fire District
Oak Grove, Louisiana**

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

12-31-2016 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.

SCHEDULE OF FINDINGS AND RESPONSES
GOODWILL FIRE DISTRICT
Oak Grove, Louisiana

FINDINGS 2016-1

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.

Findings for the Prior Year Ended December 31, 2015

FINDING 2015-1

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.