

WEST OSSIPPEE FIRE PRECINCT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Commissioners
West Ossipee Fire Precinct
Ossipee, New Hampshire

We have audited the accompanying financial statements of the governmental activities, and major fund of the West Ossipee Fire Precinct as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Precinct'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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the West Ossipee Fire Precinct, as of December 31, 2017, and the respective changes in financial position and, the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management's Discussion and Analysis – Management has omitted a 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. 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. Our opinion on the basic financial statements is not affected by the missing information.

*West Ossipee Fire Precinct
Independent Auditor's Report*

Other Information - Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Ossipee Fire Precinct's basic financial statements. The individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

April 30, 2018

*Plodzik & Sanderson
Professional Association*

BASIC FINANCIAL STATEMENTS

EXHIBIT A
WEST OSSIPPEE FIRE PRECINCT
Statement of Net Position
December 31, 2017

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 155,901
Due from other governments	123,219
Capital assets:	
Land and construction in progress	17,384
Other capital assets, net of depreciation	737,363
Total assets	1,033,867
LIABILITIES	
Accounts payable	15,257
Accrued salaries and benefits	4,908
Accrued interest payable	1,863
Long-term liabilities:	
Due within one year	45,000
Due in more than one year	22,280
Total liabilities	89,308
NET POSITION	
Net investment in capital assets	687,467
Unrestricted	257,092
Total net position	\$ 944,559

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT B
WEST OSS�PEE FIRE PRECINCT
Statement of Activities
For the Fiscal Year Ended December 31, 2017

	Expenses	Net Expense and Change In Net Position
General government	\$ 70,039	\$ (70,039)
Public safety	268,589	(268,589)
Highways and streets	648	(648)
Interest on long-term debt	8,197	(8,197)
Total governmental activities	\$ 347,473	(347,473)
General revenues:		
Taxes:		
Precinct assessment		371,586
Unrestricted investment earnings		1,194
Miscellaneous		2,219
Total general revenues		374,999
Change in net position		27,526
Net position, beginning		917,033
Net position, ending		\$ 944,559

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-1
WEST OSSIPPEE FIRE PRECINCT
Governmental Fund
Balance Sheet
December 31, 2017

	General
ASSETS	
Cash and cash equivalents	\$ 155,901
Intergovernmental receivable	123,219
Prepaid items	24,720
Total assets	\$ 303,840
LIABILITIES	
Accounts payable	\$ 15,257
Accrued salaries and benefits	4,908
Total liabilities	20,165
FUND BALANCES	
Nonspendable	24,720
Committed	123,219
Unassigned	135,736
Total fund balances	283,675
Total liabilities and fund balances	\$ 303,840

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-2
WEST OSSIPPEE FIRE PRECINCT
Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position
December 31, 2017

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances of governmental funds (Exhibit C-1)		\$ 283,675
Capital assets used in governmental activities are not financial resources, therefore, are not reported in the funds.		
Cost		\$ 1,651,489
Less accumulated depreciation		<u>(896,742)</u>
		754,747
Repayment of long-term liabilities not due until subsequent year are recorded in the governmental funds as prepaid items, but reduce the liability on the government-wide financial statements.		(24,720)
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(1,863)
Long-term liabilities are not due and payable in the current period, therefore, are not reported in the funds.		
Bond		<u>(67,280)</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 944,559</u></u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-3
WEST OSSIPPEE FIRE PRECINCT
Governmental Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Fiscal Year Ended December 31, 2017

	General
REVENUES	
Taxes	\$ 371,586
Investment earnings	1,194
Miscellaneous	2,219
Total revenues	374,999
EXPENDITURES	
Current:	
General government	70,039
Public safety	217,900
Highways and streets	648
Debt service:	
Principal	42,000
Interest	9,291
Total expenditures	339,878
Net change in fund balance	35,121
Fund balance, beginning	248,554
Fund balance, ending	\$ 283,675

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT C-4
WEST OSSIPEE FIRE PRECINCT
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Fund to the Statement of Activities
For the Fiscal Year Ended December 31, 2017

Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances of governmental funds (Exhibit C-3)	\$ 35,121
Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Depreciation expense	(50,689)
The repayment of principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position.	
Repayment of bond principal	42,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.	
Decrease in accrued interest expense	<u>1,094</u>
Changes in net position of governmental activities (Exhibit B)	<u><u>\$ 27,526</u></u>

The notes to the basic financial statements are an integral part of this statement.

EXHIBIT D
WEST OSSIPPEE FIRE PRECINCT
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended December 31, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 370,285	\$ 371,586	\$ 1,301
Investment earnings	30	14	(16)
Miscellaneous	2,900	2,219	(681)
Total revenues	<u>373,215</u>	<u>373,819</u>	<u>604</u>
EXPENDITURES			
Current:			
General government	89,250	70,039	19,211
Public safety	214,300	217,900	(3,600)
Highways and streets	600	648	(48)
Debt service:			
Principal	42,000	42,000	-
Interest	7,065	9,291	(2,226)
Total expenditures	<u>353,215</u>	<u>339,878</u>	<u>13,337</u>
Excess of revenues over expenditures	20,000	33,941	13,941
OTHER FINANCING USES			
Transfers out	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	13,941	<u>\$ 13,941</u>
Unassigned fund balance, beginning		121,795	
Unassigned fund balance, ending		<u>\$ 135,736</u>	

The notes to the basic financial statements are an integral part of this statement.

WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

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WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the West Ossipee Fire Precinct (the Precinct), have been prepared in conformity with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The more significant of the Precinct’s accounting policies are described below.

1-A Reporting Entity

The West Ossipee Fire Precinct is a municipal corporation governed by an elected 3-member Board of Commissioners. In evaluating how to define the Precinct for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the Governmental Accounting Standards Board (GASB). The Precinct has no component units to include in its reporting entity.

1-B Basis of Accounting, and Measurement Focus

The accounts of the Precinct are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-wide Financial Statements - The Precinct’s government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental activities for the Precinct accompanied by a total column.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the Precinct’s assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Governmental Fund Financial Statements- Include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balance for the major governmental fund. An accompanying statement is presented to reconcile and explain the differences in fund balance and changes in fund balance as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The Precinct has presented all major funds that met those qualifications.

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Precinct generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of reimbursement based grants, which use a period of one year. Property taxes, licenses and permits, intergovernmental revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The Precinct reports the following major governmental fund:

General Fund – is the Precinct’s primary operating fund. The general fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue source is Precinct assessment. The primary expenditures are for general government, public safety, and debt service. Under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, guidance the expendable trust fund is consolidated in the general fund.

1-C Cash and Cash Equivalents

The Precinct considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist of a demand deposit account.

The treasurer is required to deposit such moneys in solvent banks in state or the Public Deposit Investment Pool pursuant to New Hampshire RSA 383:22. Funds may be deposited in banks outside of the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations to the State of New Hampshire in value at least equal to the amount of the deposit in each case.

1-D Receivables

Receivables recorded in the financial statements represent amounts due to the Precinct at December 31. They are aggregated into a single due from other governments line. They consist of the intergovernmental receivable for the expendable trust fund held by the Town of Ossipee Trustees of the Trust Funds.

1-E Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

1-F Capital Assets

Capital assets include property, plant, and equipment, infrastructure assets (e.g. paving and similar items) which are reported in the governmental activities column in the government-wide financial statements. The accounting and reporting treatment applied to capital assets associated with a fund are determined by the fund’s measurement focus. General capital assets are assets of the Precinct as a whole. When purchased, such assets are recorded as expenditures in a governmental fund and capitalized as assets in the governmental activities column of the government-wide Statement of Net Position.

Capital assets are defined by the Precinct as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are carried at historical cost or estimated historical cost. When the cost of the capital assets cannot be determined from available records, estimated historical cost is used.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital assets of the Precinct are depreciated or amortized using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Capital Asset Classes:	
Land improvements	25
Buildings and building improvements	50
Vehicles	5-45
Infrastructure	25

1-G Accounts Payable

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of December 31, 2017.

WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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1-H Long-term Obligations

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position.

1-I Net Position/Fund Balances

Government-wide Statements – Equity is classified as net position and displayed in two components:

- a) *Net investment in capital assets* – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.
- b) *Unrestricted net position* – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balance Classifications – GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more clearly defined fund balance categories to make sure the nature and extent of the constraints placed on a government’s fund balances are more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items); or (b) are legally or contractually required to be maintained intact.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the legislative body (Precinct Meeting). These amounts cannot be used for any other purpose unless the legislative body removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Unassigned – This classification includes the amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When multiple net position/fund balance classifications are available for use, it is the Precinct’s practice to utilize the most restricted balances first, then the next most restricted balance as needed. When components of unrestricted fund balance are used, committed fund balance is depleted first. Unassigned fund balance is applied last.

1-J Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. These consist of the useful lives of capital assets. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the Precinct’s operations. At its annual meeting, the Precinct adopts a budget for the current year for the general fund. Except as reconciled below, the budget was adopted on a basis consistent with US generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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State statutes require balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2017, none of the beginning general fund unassigned fund balance was applied for this purpose.

2-B Budgetary Reconciliation to GAAP Basis

The Precinct employs certain accounting principles for budgetary reporting purposes that differ from a GAAP basis. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis presents the actual results to provide a comparison with the budget. The major difference between the budgetary basis and GAAP basis is as follows:

The following reconciles the general fund budgetary basis to the GAAP basis:

Revenues:	
Per Exhibit D (budgetary basis)	\$ 373,819
Adjustment:	
Basis difference:	
GASB Statement No. 54:	
Interest income earned on eliminated blended expendable trust fund	1,180
Per Exhibit C-3 (GAAP basis)	<u>\$ 374,999</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$ 359,878
Adjustment:	
Basis differences:	
GASB Statement No. 54:	
To eliminate transfer between the blended general and expendable trust fund	<u>(20,000)</u>
Per Exhibit C-3 (GAAP basis)	<u>\$ 339,878</u>

DETAILED NOTES ON ALL FUNDS

NOTE 3 – CASH AND CASH EQUIVALENTS

The Precinct's deposits are entirely covered by federal depository insurance (FDIC). The FDIC currently insures the first \$250,000 of the Precinct's deposits at each financial institution, per case custodian. As of year-end, the carrying amount of the Precinct's deposits was \$155,901 and the bank balances totaled \$170,690.

NOTE 4 – RECEIVABLES

Receivables of \$123,219, at December 31, 2017, consist of the expendable trust fund held by the Town of Ossipee Trustees of the Trust Funds. Receivables are recorded on the Precinct's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

NOTE 5 – PREPAID ITEMS

Prepaid items of \$24,720, at December 31, 2017, consisted of a principal debt payment due to Zion National Bank, which will be applied to their principal owed in the last year of the bond, 2019. The amount has been used to reduce the non-current portion of the bond payable reported in the governmental activities (Exhibit A).

WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 is as follows:

	<u>Balance, beginning</u>	<u>Additions</u>	<u>Balance, ending</u>
At cost:			
Not being depreciated:			
Construction in progress	\$ 17,384	\$ -	\$ 17,384
Being depreciated:			
Land improvements	14,966	-	14,966
Buildings and building improvements	661,938	-	661,938
Vehicles	920,729	-	920,729
Infrastructure	36,472	-	36,472
Total capital assets being depreciated	<u>1,634,105</u>	<u>-</u>	<u>1,634,105</u>
Total all capital assets	<u>1,651,489</u>	<u>-</u>	<u>1,651,489</u>
Less accumulated depreciation:			
Land improvements	(1,846)	(598)	(2,444)
Buildings and building improvements	(143,334)	(13,238)	(156,572)
Vehicles	(698,684)	(35,395)	(734,079)
Infrastructure	(2,189)	(1,458)	(3,647)
Total accumulated depreciation	<u>(846,053)</u>	<u>(50,689)</u>	<u>(896,742)</u>
Net book value, capital assets being depreciated	788,052	(50,689)	737,363
Net book value, all capital assets	<u>\$ 805,436</u>	<u>\$ (50,689)</u>	<u>\$ 754,747</u>

Depreciation expense of \$50,689 was charged to the public safety function of the Precinct based on their usage of the related assets.

NOTE 7 – LONG-TERM LIABILITIES

Changes in the Precinct’s long-term liabilities consisted of the following for the year ended December 31, 2017:

	<u>Balance January 1, 2017</u>	<u>Reductions</u>	<u>Balance December 31, 2017</u>	<u>Due Within One Year</u>
General obligation bond payable	\$ 109,280	\$ (42,000)	\$ 67,280	\$ 45,000

The long-term bond is comprised of the following:

	<u>Original Amount</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Outstanding at December 31, 2017</u>
General obligation bond payable:					
Jewett Hill Fire Station	\$ 373,000	2009	2019	5.96	\$ 67,280

The annual requirements to amortize all general obligation bond outstanding as of December 31, 2017, including interest payments, are as follows:

<u>Fiscal Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 45,000	\$ 4,453	\$ 49,453
2019	22,280 *	1,546	23,826
Totals	<u>\$ 67,280</u>	<u>\$ 5,999</u>	<u>\$ 73,279</u>

* A prepayment on the noncurrent portion of the debt (2019) was made in December 2016 of \$24,720 which is reflected in the governmental activities (Exhibit A) at year-end.

WEST OSS�PEE FIRE PRECINCT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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All debt is general obligation debt of the Precinct, which is backed by its full faith and credit, and will be repaid from general governmental revenues.

NOTE 8 – GOVERNMENTAL ACTIVITIES NET POSITION

Governmental activities net position reported on the government-wide Statement of Net Position at December 31, 2017 include the following:

Net investment in capital assets:	
Net property, buildings, and equipment	\$ 754,747
Less:	
General obligation bond payable	<u>(67,280)</u>
Total net investment in capital assets	687,467
Unrestricted	<u>257,092</u>
Total net position	<u><u>\$ 944,559</u></u>

None of the net position is restricted by enabling legislation.

NOTE 9 – GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2017 include the following:

	<u>General Fund</u>
Nonspendable:	
Prepaid item	\$ 24,720
Committed:	
Expendable trust	123,219
Unassigned	<u>135,736</u>
Total governmental fund balances	<u><u>\$ 283,675</u></u>

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date, but arose after the date. Management has evaluated subsequent events through April 30, 2018, the date the December 31, 2017 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

INDIVIDUAL FUND SCHEDULES

SCHEDULE 1
WEST OSS�PEE FIRE PRECINCT
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2017

	<u>Estimated</u>	<u>Actual</u>	Variance Positive (Negative)
Taxes:			
Precinct assessment	\$ 370,285	\$ 371,586	\$ 1,301
Miscellaneous:			
Interest on investments	30	14	(16)
Other	<u>2,900</u>	<u>2,219</u>	<u>(681)</u>
Total from miscellaneous	<u>2,930</u>	<u>2,233</u>	<u>(697)</u>
Total revenues	<u>\$ 373,215</u>	<u>\$ 373,819</u>	<u>\$ 604</u>

SCHEDULE 2
WEST OSS�PEE FIRE PRECINCT
Major General Fund
Schedule of Appropriations and Expenditures (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2017

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance Positive (Negative)</u>
Current:			
General government:			
Executive	\$ 13,150	\$ 13,985	\$ (835)
Financial administration	7,000	6,100	900
Legal	1,000	-	1,000
General government buildings	38,500	26,143	12,357
Insurance, not otherwise allocated	29,600	23,811	5,789
Total general government	<u>89,250</u>	<u>70,039</u>	<u>19,211</u>
Public safety:			
Fire	<u>214,300</u>	<u>217,900</u>	<u>(3,600)</u>
Highways and streets:			
Street lighting	<u>600</u>	<u>648</u>	<u>(48)</u>
Debt service:			
Principal of long-term debt	42,000	42,000	-
Interest on long-term debt	7,065	9,291	(2,226)
Total debt service	<u>49,065</u>	<u>51,291</u>	<u>(2,226)</u>
Other financing uses:			
Transfers out	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total appropriations, expenditures, and other financing uses	<u>\$ 373,215</u>	<u>\$ 359,878</u>	<u>\$ 13,337</u>

SCHEDULE 3
WEST OSS�PEE FIRE PRECINCT
Major General Fund
Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2017

Unassigned fund balance, beginning		\$ 121,795
Changes:		
2017 Budget summary:		
Revenue surplus (Schedule 1)	\$ 604	
Unexpended balance of appropriations (Schedule 2)	<u>13,337</u>	
2017 Budget surplus		<u>13,941</u>
Unassigned fund balance, ending		<u><u>\$ 135,736</u></u>