

FINANCIAL STATEMENTS AND  
ACCOUNTANTS' REVIEW REPORT

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KEYSTONE VALLEY REGIONAL  
FIRE DISTRICT

DECEMBER 31, 2016

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*FRANCE, ANDERSON, BASILE AND COMPANY, P.C.*  
*CERTIFIED PUBLIC ACCOUNTANTS*

KEYSTONE VALLEY REGIONAL FIRE DISTRICT  
DECEMBER 31, 2016

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors  
Keystone Valley Regional Fire District  
Pomeroy, PA

We have reviewed the accompanying statement of assets, liabilities, and net assets - cash basis of the Keystone Valley Regional Fire District (a not-for-profit Corporation) as of December 31, 2016, and the related statements of revenue, expenses, and changes in net assets - cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**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 the financial statements that are free from material misstatement whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America applied on the cash basis.

*France, Anderson, Basile and Company, P.C.*

Emmaus, Pennsylvania  
February 9, 2017

KEYSTONE VALLEY REGIONAL FIRE DISTRICT  
STATEMENT OF ASSETS, LIABILITIES, AND  
NET ASSETS - CASH BASIS  
December 31, 2016  
See Independent Accountants' Review Report

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 427,474
Total Current Assets	\$ 427,474
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LIABILITIES AND NET ASSETS

LIABILITIES

Total Liabilities	\$ -0-
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NET ASSETS

Unrestricted	31,484
Restricted Truck Fund	283,024
Restricted Building Fund	<u>112,966</u>
Total Net Assets	<u>427,474</u>
Total Liabilities and Net Assets	\$ 427,474
	=====

The accompanying notes are an integral part of the financial statements.

KEYSTONE VALLEY REGIONAL FIRE DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGE IN  
NET ASSETS - CASH BASIS  
For The Year Ended December 31, 2016  
See Independent Accountants' Review Report

SUPPORT AND REVENUE

West Sadsbury Township	\$ 142,300
Parkesburg Borough	128,633
Sadsbury Township	38,700
Highland Township	28,033
Interest Income	58
Total Support and Revenue	<u>337,724</u>

EXPENSES

Keystone Valley Fire Department Operations	200,377
Fire Study	23,950
Building Improvements - Pomeroy Station	6,600
Administrative Expenses	5,602
Legal and Accounting Expenses	1,240
Total Expenses	<u>237,769</u>

EXCESS OF CASH RECEIPTS OVER CASH  
DISBURSEMENTS

99,955

NET ASSETS, JANUARY 1, 2016

327,519

NET ASSETS, DECEMBER 31, 2016

\$ 427,474  
=====

The accompanying notes are an integral part of the financial statements.

KEYSTONE VALLEY REGIONAL FIRE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2016

See Independent Accountants' Review Report

NOTE 1 Nature of Operation

The District is a not for profit organization formed to oversee the consolidation of the Pomeroy, Parkesburg and Atglen Fire Companies. The District receives funding from the member Municipalities and disburses the funds to the Keystone Valley Regional Fire Company and reserve accounts for future building and equipment needs. The member municipalities are; West Sadsbury Township, Parkesburg Borough, Sadsbury Township and Highland Township.

NOTE 2 Summary of Significant Accounting Policies

The summary of significant accounting policies of the Keystone Valley Regional Fire District are presented to assist in understanding the District's financial statements. The financial statements and notes are representations of the District's management whom are responsible for their integrity and objectivity. These accounting policies conform to the cash basis of accounting which is a comprehensive accounting basis other than generally accepted accounting principles. Consequently, only cash received and cash disbursed have been applied in the preparation of the financial statements.

**Income Taxes**

The District is a not for profit corporation. Accordingly, no federal or state income taxes are recorded.

**Disclosure About the Fair Value of Financial Instruments**

The carrying amount of financial instruments approximate fair value of those instruments, consequently there is no statement of comprehensive income.

**Date of Management's Review**

Management has evaluated subsequent events through February 9, 2017, the date which the financial statements are available to be issued.

NOTE 3 Concentration of Credit Risk

Financial instruments that potentially subject the District to concentrations of credit risk consist principally of cash.

The District places all its cash with financial institutions. The accounts of the District are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2016, the District had \$177,474 of uninsured cash balances.