

## FINANCIAL STATEMENTS

**KOLDER, CHAMPAGNE, SILAVEN & RAINEY, LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Auditor's Report on Internal  
Control Structure Based on an Audit of  
Financial Statements Performed in Accordance with  
Government Auditing Standards**

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To the Board of Directors  
Youngsville Volunteer Fire Department, Inc.  
Youngsville, Louisiana

We have audited the financial statements of the Youngsville Volunteer Fire Department, Inc., a nonprofit organization, as of and for the year ended December 31, 1998, and have issued our report thereon dated June 3, 1997.

We conducted our audit in accordance with generally accepted auditing standards and **Government Auditing Standards**, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Youngsville Volunteer Fire Department, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the Youngsville Volunteer Fire Department, Inc. for the year ended December 31, 1998, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. Accordingly, we do not express such an opinion.

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We noted a certain matter involving the internal control structure and its operation that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

#### Inadequate Segregation of Accounting Functions

##### Finding:

Due to the small number of employees, the Youngsville Volunteer Fire Department, Inc. did not have adequate segregation of functions within the accounting system.

##### Recommendation:

Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

##### Response:

The response is considered unnecessary.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in accounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above is a material weakness.

This report is intended for the information of the Board of Directors and management. However, this report is a matter of public record and its distribution is not limited.

*Kolder, Champagne, Slawn & Rainey, LLC*  
Certified Public Accountants

Lafayette, Louisiana  
June 5, 2017

# KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC

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## Independent Auditor's Report on Compliance Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

REPORT ON COMPLIANCE  
WITH CERTAIN  
REGULATIONS  
AND  
INTERNAL CONTROL  
OVER FINANCIAL  
STATEMENTS

FOR THE YEAR  
ENDED DECEMBER  
31, 1997  
YOUNGVILLE VOLUNTEER FIRE  
DEPARTMENT, INC.  
YOUNGVILLE, LOUISIANA

FOR THE YEAR  
ENDED DECEMBER  
31, 1997  
YOUNGVILLE VOLUNTEER FIRE  
DEPARTMENT, INC.  
YOUNGVILLE, LOUISIANA

To the Board of Directors  
Youngville Volunteer Fire Department, Inc.  
Youngville, Louisiana

We have audited the financial statements of the Youngville Volunteer Fire Department, Inc. (a nonprofit organization), as of and for the year ended December 31, 1997, and have issued our report thereon dated June 3, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations and contracts applicable to the Youngville Volunteer Fire Department, Inc. is the responsibility of the organization's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the organization's compliance with certain provisions of laws, regulations and contracts. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Board of Directors and management. However, this report is a matter of public record and its distribution is not limited.

*Kolder, Champagne, Slaven & Rainey, LLC*  
Certified Public Accountants

Lafayette, Louisiana  
June 3, 1997

OFFICE OF  
THE COMPTROLLER  
OF PUBLIC ACCOUNTS  
STATE OF LOUISIANA  
Baton Rouge, Louisiana

OTHER SUPPLEMENTAL INFORMATION

Youngsville Volunteer Fire Department, Inc.  
Youngsville, Louisiana

Statement of Functional Expenses  
Year Ended December 31, 1978

	<u>1978</u>
Program service expenses:	
Fire-fighting -	
Communications	\$ 120
Cars and subscriptions	180
Utilities and telephone	2,391
Insurance	15,782
Repairs and maintenance	10,864
Supplies	4,580
Truck fuel	1,310
Uniforms	157
Education and training	620
Interest expense	4,198
Depreciation	<u>22,787</u>
Total program service expenses	<u>71,800</u>
Supporting service expenses:	
General and administrative -	
Professional fees	2,450
Books	70
Miscellaneous	298
Office expense	263
Postage expense	<u>156</u>
Total general and administrative expenses	<u>3,137</u>
Fund raising expenses	<u>1,013</u>
Total supporting service expenses	<u>4,150</u>
Total expenses	<u>75,950</u>



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Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying information listed as 'Supplemental Information' is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Kolder, Champagne, Haven & Rainey, L.L.C.*  
Certified Public Accountants

Lafayette, Louisiana  
June 3, 1997

Youngsville Volunteer Fire Department, Inc.  
 Youngsville, Louisiana

Statement of Financial Position  
 December 31, 1996

ASSETS

Current assets:	
Cash	\$ 25,245
Property, plant, and equipment, net	<u>181,535</u>
Total assets	<u>\$196,681</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 545
Current maturities of long-term debt	3,280
Interest payable	<u>3,553</u>
Total current liabilities	7,378
Long-term debt	<u>62,081</u>
Total liabilities	<u>69,459</u>
Net assets:	
Restricted -	
Operating	15,196
Net investments in fixed assets	<u>118,289</u>
Total net assets	<u>122,315</u>
Total liabilities and net assets	<u>\$196,681</u>

The accompanying notes are an integral part of this statement.

Youngsville Volunteer Fire Department, Inc.  
 Youngsville, Louisiana

Statement of Activities  
 Year Ended December 31, 1998

Support:		
Contributions -		\$ 8,000
Revenue:		
Contract service fees		\$0,000
Fire protection services - Town of Youngsville		4,700
Insurance claims		11,500
Interest income		100
Miscellaneous		500
Total revenue		<u>17,800</u>
Total support and revenue		<u>25,800</u>
Expenses:		
Program services -		
Fire-fighting		21,000
Support services -		
General and administrative		1,000
Fundraising		3,000
Total expenses		<u>25,000</u>
Decrease in unrestricted net assets		130,560
Net assets, unrestricted, beginning of year		<u>302,815</u>
Net assets, unrestricted, end of year		<u>172,255</u>

The accompanying notes are an integral part of this statement.

Youngsville Volunteer Fire Department, Inc.  
 Youngsville, Louisiana

Statement of Cash Flows  
 Year Ended December 31, 1996

Cash flows from operating activities:	
Change in net assets	\$ (50,540)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	27,867
Change in current assets and liabilities:	
Increase (decrease) in accounts payable	548
Increase (decrease) in accrued interest payable	3,451
Net cash provided by operating activities	<u>2,886</u>
Cash flows from (used by) capital and related financing activities:	
Purchase of equipment, firetruck and building improvements	(37,900)
Proceeds from note payable	28,540
Principal paid on note payable	(28,350)
Net cash used by capital and related financing activities	<u>(37,710)</u>
Cash flows from investing activities:	
Proceeds from maturities of investments	<u>16,000</u>
Increase in cash	1,176
Cash, beginning of period	<u>4,568</u>
Cash, end of period	<u>\$ 15,145</u>
Supplemental disclosure of cash flow information:	
Interest paid	<u>\$ 4,748</u>

The accompanying notes are an integral part of this statement.

Youngsville Volunteer Fire Department, Inc.  
Youngsville, Louisiana

Notes to Financial Statements

(B) Summary of Significant Accounting Policies

Organization

The Youngsville Volunteer Fire Department, Inc. (Organization) is a non-profit corporation formed under the laws of the State of Louisiana for the purpose of impeding, preventing, and extinguishing all types of destructive fires within or near the Town of Youngsville, Louisiana; supervising, directing and controlling the proper care and use of all types of inflammable or combustible material found within the City; acquiring and holding property for purposes of the organization, and other related purposes.

A. Basis of Accounting

The Organization utilizes the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

B. Property and Equipment

Property and equipment are stated at cost. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of the individual assets as follows:

Buildings	30 years
Furniture and fixtures	7 years
Fire trucks and engines	10 years
Fire fighting equipment	15 years

C. Income Taxes

The Organization qualifies as a tax exempt organization under Section 501(c)(4) of the Internal Revenue Code and therefore, has no provision for Federal income taxes.

D. Donated Services

A substantial number of volunteers have donated time to the organization's program and supporting services. No amounts have been included in the financial statements for donated services since an objective basis is available to measure the value of such services.

Monroe Volunteer Fire Department, Inc.  
Monroe, Louisiana

Notes to Financial Statements (Continued)

(C) Changes in Accounting Principles and Reporting Entity

The Organization adopted provisions of Statement of Financial Accounting Standards No. 134, Accounting for Contributions Received and Contributions Made and No. 137, Financial Statements of Not-for-Profit Organizations as of December 31, 1994. Statement of Financial Accounting Standards No. 134 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets and unrestricted net assets. Statement No. 137 establishes standards for external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities and a statement of cash flows.

(1) Property, Plant and Equipment

The following is a summary of property, plant and equipment at December 31, 1994:

	<u>1994</u>
Land	\$ 13,000
Building	48,000
Equipment	74,881
Furniture and fixtures	3,889
Fire trucks and engines	<u>208,833</u>
Total property, plant and equipment	348,603
Less: Accumulated depreciation	<u>(165,335)</u>
Net property, plant and equipment	\$ 183,268

(2) Long-Term Debt

Following is a summary of long-term debt at December 31, 1994:

	<u>1994</u>
Notes payable to Farmers Home Administration, dated March 7, 1989, original principal of \$50,000, due in annual payments through March 3, 2008 of \$9,031, including interest at 7.5 percent and secured by a building.	\$49,857

Monroeville Volunteer Fire Department, Inc.  
Monroeville, Louisiana

Notes to Financial Statements (Continued)

<p>Rate payable to Monroe Home Administration, dated May 15, 1996 original principal of \$28,000, due in annual payments through May 15, 2001 at 8.91%. Including interest at 5.375 percent and secured by a fire engine.</p>	28,000
<p>Total debt:</p>	70,363
<p>Less: Current maturities included in current liabilities</p>	(11,388)
<p>Total long-term debt:</p>	\$58,975

Following are maturities of long-term debt for each of the next five years:

	<u>Amount</u>
1997	\$ 3,768
1998	3,508
1999	3,742
2000	3,991
2001	<u>6,233</u>
	\$18,250

#### SUPPLEMENTAL INFORMATION



#### FEDERAL CONTROL AND COMPLIANCE

**KOLDER, CHAMPAGNE, SLAVEN & RAINEY, LLC**  
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Certified Management Accountants (1996-1998)  
Certified Government Accountants (1996-1998)  
State of Louisiana, CPA

**INDEPENDENT AUDITOR'S REPORT**

REPORT NUMBER  
DATE OF REPORT  
PERIOD FOR WHICH  
REPORT WAS MADE  
PAGE NO.

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To the Board of Directors,  
Youngsville Volunteer Fire Department, Inc.,  
Youngsville, Louisiana.

We have audited the accompanying statement of financial position of the Youngsville Volunteer Fire Department, Inc. (a nonprofit organization), as of December 31, 1996 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Youngsville Volunteer Fire Department, Inc. as of December 31, 1996, and the changes to its net assets and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

As discussed in Note 2 to the financial statements, in 1996 the Organization changed its method of accounting for contributions and its method of financial reporting and financial statement presentation.

In accordance with Government Auditing Standards, we have also issued a report dated June 5, 1997 on our consideration of the Youngsville Volunteer Fire Department, Inc.'s internal control structure and a report dated June 5, 1997 on its compliance with laws and regulations.

REPORT NUMBER  
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REPORT WAS MADE  
PAGE NO.