

RECEIVED
LEGISLATIVE AUDITOR
00 APR -4 AM 9:11

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

(Make necessary
copies from this
copy and PLACE
BACK in FILE)

**CHARENTON-CHITIMACHA VOLUNTEER
FIRE DEPARTMENT**
Charenton, Louisiana

FINANCIAL REPORT

Year Ended September 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date APR 19 2000

TABLE OF CONTENTS

	Page
ACCOUNTANTS' REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS	
Balance Sheet	3
Statement of Revenues, Expenditures and Changes In Fund Balance	4
Notes to Financial Statements	5-6
SUPPLEMENTARY INFORMATION	
Independent Accountant's Report on Applying Agreed-Upon Procedures	8-10
Summary Schedule of Prior Year Findings	11
Summary of Current Year Findings and Management's Corrective Action Plan for Current Year Findings	12
Louisiana Attestation Questionnaire	13-14



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA
Danny P. Frederick, CPA
Clayton L. Darnall, CPA
Eugene H. Darnall, III, CPA
Paula D. Bihm, CPA
Stephanie M. Higginbotham, CPA

Jennifer S. Ziepler, CPA
Chris A. Miller, CPA
John P. Amato, CPA

Kathleen T. Darnall, CPA
Stephen R. Dischler, MBA, CPA
Alan M. Taylor, CPA
Christine A. Raspberry, CPA
Steven G. Moosa, CPA
Erich G. Loewer, Jr., CPA
Erich G. Loewer, III, CPA
Danny P. Pontiff, CPA
Tamera T. Landry, CPA
Carla R. Fontenot, CPA
Raegan D. Stelly, CPA
Jason H. Watson, CPA

ACCOUNTANT'S REPORT

To the President and Officers
Charenton-Chitimacha Volunteer Fire Department
215 Coushatta Drive
Charenton, LA 70523

Other Locations:

125 Rue Beauregard
Lafayette, LA 70508
318.232.3312

1231 E. Laurel Avenue
Eunice, LA 70535
318.457.4146

1201 Brashear Avenue
Suite 301
Morgan City, LA 70380
504.384.6264

404 Pere Meylet
Abbeville, LA 70510
318.893.5470

We have compiled the accompanying general purpose financial statements of the Charenton-Chitimacha Volunteer Fire Department as of and for the year ended September 30, 1999, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

dsfepas.com

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of the management of the Charenton-Chitimacha Volunteer Fire Department. We have not audited or reviewed the accompanying financial statements and supplementary information and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated January 21, 2000, on the results of our agreed-upon procedures.

Darnall, Sikes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
January 21, 2000

Member of
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

GENERAL PURPOSE FINANCIAL STATEMENTS

CHARENTON-CHITIMACHA VOLUNTEER FIRE DEPARTMENT
Charenton, Louisiana

Balance Sheet
General Fund
September 30, 1999

ASSETS

Cash	<u>\$ 23,277</u>
------	------------------

LIABILITIES AND EQUITY

Liabilities	\$ -
-------------	------

Equity:

Fund balance:

Unreserved, undesignated	<u>23,277</u>
--------------------------	---------------

Total liabilities and equity	<u>\$ 23,277</u>
------------------------------	------------------

See accompanying notes and accountant's report.

CHARENTON-CHITIMACHA VOLUNTEER FIRE DEPARTMENT
Charenton, Louisiana

Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Year Ended September 30, 1999

Revenues:	
Intergovernmental	\$ 64,565
Miscellaneous -	
Interest	<u>416</u>
Total revenues	<u>64,981</u>
Expenditures:	
Current -	
Appropriation to Chitimacha Fire Protection	60,000
Dues and subscriptions	192
New equipment and equipment repair	8,465
Meeting expenses	381
Miscellaneous	206
Office expenses	688
Supplies	215
Training	2,267
Travel and conferences	<u>308</u>
Total expenditures	<u>72,722</u>
Deficiency of revenues over expenditures	(7,741)
Fund balance, beginning	<u>31,018</u>
Fund balance, ending	<u>\$ 23,277</u>

See accompanying notes and accountant's report.

CHARENTON-CHITIMACHA VOLUNTEER FIRE DEPARTMENT
Charenton, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Charenton-Chitimacha Volunteer Fire Department was formed to provide fire protection services to the citizens of Charenton, Louisiana. The department is governed by officers elected by the members of the department.

A. REPORTING ENTITY

The Charenton-Chitimacha Volunteer Fire Department is a non-profit corporation. It is a legally separate entity. However, due to the fact that the Charenton-Chitimacha Volunteer Fire Department receives its facilities and some of its financing from the St. Mary Parish Government, the Charenton-Chitimacha Volunteer Fire Department is considered a related organization to the St. Mary Parish Government.

B. FUND ACCOUNTING

The Department 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 set of self-balancing accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

C. BASIS ACCOUNTING

The financial statements of the Charenton-Chitimacha Volunteer Fire Department have been prepared in conformity with 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 more significant of the government's policies are described below.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The governmental fund uses the following practices in recording revenues and expenditures:

CHARENTON-CHITIMACHA VOLUNTEER FIRE DEPARTMENT
Charenton, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All major revenues are susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

D. ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not employed by the Department.

E. CASH AND INTEREST-BEARING DEPOSITS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

F. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Estimated amounts are immaterial in relation to total fixed assets.

G. USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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 those estimates.

SUPPLEMENTAL INFORMATION



Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Eugene H. Darnall, CPA, Retired 1990

E. Larry Sikes, CPA, CVA
Danny P. Frederick, CPA
Clayton F. Darnall, CPA
Eugene H. Darnall, III, CPA
Paula D. Bihm, CPA
Stephanie M. Higginbotham, CPA

Jennifer S. Ziegler, CPA
Chris A. Miller, CPA
John P. Armato, CPA

Kathleen T. Darnall, CPA
Stephen R. Dischler, MBA, CPA
Alan M. Taylor, CPA
Christine A. Rasberry, CPA
Steven G. Meosa, CPA
Frich G. Loewer, Jr., CPA
Frich G. Loewer, III, CPA
Danny P. Pontill, CPA
Tamera T. Landry, CPA
Carla R. Fontenot, CPA
Raegan D. Stelly, CPA
Jason H. Watson, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Other Locations:

125 Rue Beauregard
Lafayette, LA 70508
318.232.3312

1231 E. Laurel Avenue
Lunice, LA 70535
318.457.4146

1201 Brashear Avenue
Suite 301
Morgan City, LA 70380
504.384.6264

404 Pere Meplet
Abbeville, LA 70510
318.893.5470

dsfcpas.com

To the President and Officers
Charenton-Chitimacha Volunteer Fire Department
Charenton, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Charenton-Chitimacha Volunteer Fire Department and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Charenton-Chitimacha Volunteer Fire Department's compliance with certain laws and regulations during the year ended September 30, 1999, included in the Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State and Local Awards

1. Obtain from management a list of federal, state and local award expenditures for the year ended September 30, 1999.

Management provided us with the required list of expenditures.

2. For each federal, state and local award, randomly select 6 disbursements from each award administered during the period under examination and:
 - (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

Member of:
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

We examined supporting documentation for each of the six selected disbursements and found that payments were properly coded to the correct fund and general ledger account.

- (c) for federal awards, determine that the disbursements complied with the applicable specific program compliance requirements summarized in the Compliance Supplement (or contained in the grant agreement, if the program is not included in the Compliance Supplement) and for state and local awards, determine whether the disbursements comply with the grant agreement, relating to activities allowed or unallowed, eligibility, and reporting.

We noted that there were no federal awards during the year ended September 30, 1999. All receipts during the year were from local sources and did not place any restrictions on the use of the funds except that they should be used to operate the department. We examined supporting documentation for the six selected disbursements and found that the payments were for the operation of the department.

3. For any programs selected for testing above that have been closed out during the period under review, compare the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

There were no programs closed out during the year ended September 30, 1999. Therefore, there were no close-out reports to review.

Meetings

4. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA RS 42:1 through 42:12 (the open meeting law).

Notice of each meeting and the accompanying agenda is posted on the door of the meeting place. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.

Comprehensive Budget

5. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Funds received during the year ended September 30, 1999 were from the St. Mary Parish Council. These were general appropriations from the Parish Council and did not require the submission of a comprehensive budget to the Parish Council.

Prior Comments and Recommendations

6. Review any prior year suggestions, recommendations and/or comments and indicate the extent to which such matters have been resolved.

There were no prior year suggestions, recommendations or comments to review.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Charenton-Chitimacha Volunteer Fire Department and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Dannall, Sikes & Frederick
A Corporation of Certified Public Accountants

Morgan City, Louisiana
January 21, 2000

CHARENTON-CHITIMACHA VOLUNTEER FIRE DEPARTMENT

Summary Schedule of Prior Year Findings
Year Ended September 30, 1999

There were no prior year findings.

CHARENTON-CHITIMACHA VOLUNTEER FIRE DEPARTMENT

Summary of Current Year Findings and Management's Corrective
Action Plan for Current Year Findings
Year Ended September 30, 1999

99-1 Inadequate Segregation of Accounting Functions

Finding: Due to limited number of personnel, the Department did not have adequate segregation of duties within its accounting system.

Response: Based on the size of the department's operations and the cost/benefit of employing additional personnel it would not be feasible to obtain complete segregation of duties. Therefore, no response is deemed necessary.

99-2 Accounting for Fixed Assets

Finding: The Department does not maintain a listing of fixed assets purchased with public funds.

Response: The Department is in the process of compiling a listing of fixed assets purchased with public funds.

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)

12-6-99 (Date Transmitted)

Darnall, Sikes & Frederick (CPAs)
P.O. Box 2109
Morgan City, LA 70381
(Auditors)

In connection with your compilation of our financial statements as of Sept. 30-99 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 12-3-99 (date of completion/respresentation).

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes No

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [] No []

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

<u>Sheryl G. Sinter</u>	Secretary	<u>12-6-99</u>	Date
<u>Rocky Lee</u>	Treasurer	<u>12-6-99</u>	Date
<u>Jon Martin</u>	President	<u>12-6-99</u>	Date