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LORANGER VOLUNTEER FIRE DEPARTMENT, INC.

Loranger, Louisiana

FINANCIAL STATEMENTS

As of and for the Year Ended

December 31, 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 8-30-00

LEE GRAY
CERTIFIED PUBLIC ACCOUNTANT
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P. O. BOX 368
AMITE, LOUISIANA 70422

MEMBER
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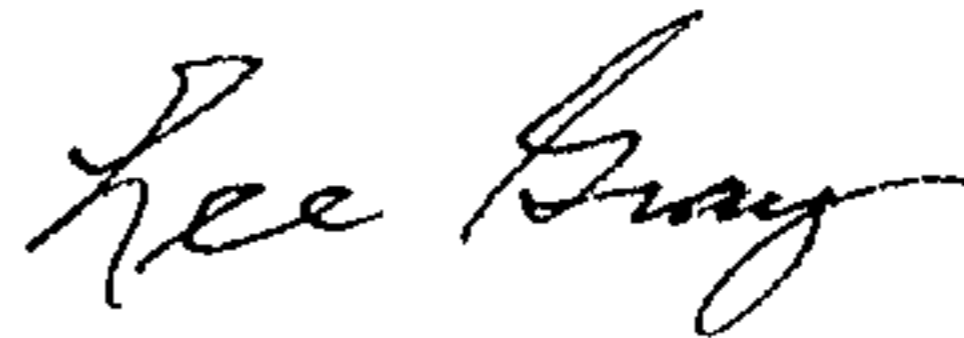
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To the Members of the
Loranger Volunteer Fire Department, Inc.
Loranger, Louisiana

I have compiled the accompanying financial statements of Loranger Volunteer Fire Department, Inc. as of and for the year ended December 31, 1999, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Corporation's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.



Certified Public Accountant

June 6, 2000

LORANGER VOLUNTEER FIRE DEPARTMENT, INC.

Statement of Assets and Liabilities Arising From
Appropriations and Certain Other Transactions
December 31, 1999

ASSETS

Cash	\$17,389
Receivables - appropriation from Rural Fire Protection District No. 2 of Tangipahoa Parish, Louisiana	<u>36,930</u>
Total Assets	<u>\$54,319</u>

LIABILITIES AND FUND EQUITY

<u>Liabilities</u>	
Accounts payable	\$ <u>3,538</u>
Total Liabilities	<u>3,538</u>
<u>Fund Equity</u>	
Fund Balance - unreserved - undesignated	<u>50,781</u>
Total Liabilities and Fund Equity	<u>\$54,319</u>

See accountant's compilation report.

LORANGER VOLUNTEER FIRE DEPARTMENT, INC.

Statement of Revenues, Expenditures, and Changes
in Fund Balance Arising From
Appropriations and Certain Other Transactions
For the Year Ended December 31, 1999

Revenues

Appropriation from:

Rural Fire Protection District No. 2	\$ 90,012
Loan proceeds obtained by Rural Fire Protection District No. 2	127,500
Federal Grant	1,059
Interest	1,644
Miscellaneous	<u>85</u>
Total Revenues	<u>220,300</u>

Expenditures

Building maintenance and supplies	2,892
Capital Outlay	267,303
Equipment maintenance and supplies	28,129
Insurance	1,102
Other supplies	1,829
Professional services	3,200
Return of appropriation to Rural Fire Protection District No. 2 for Debt Service	17,789
Telephone	4,754
Training	1,509
Utilities	<u>1,602</u>
Total Expenditures	<u>330,109</u>

Excess of Expenditures over Revenues	(109,809)
Fund Balance at Beginning of Year	<u>160,590</u>
Fund Balance at End of Year	<u>\$ 50,781</u>

See accountant's compilation report.

LORANGER VOLUNTEER FIRE DEPARTMENT, INC.

Selected Notes to Financial Statements December 31, 1999

BACKGROUND INFORMATION

The Loranger Volunteer Fire Department, Inc. is an incorporated association of volunteer firemen serving the Loranger, Louisiana, geographical area. The Loranger Volunteer Fire Department, Inc. is funded, for the most part, by an annual appropriation from the Rural Fire Protection District No. 2 of Tangipahoa Parish, Louisiana (Rural Fire Protection District No. 2).

On May 22, 1998, Loranger Volunteer Fire Department incorporated. Previously, the Loranger Volunteer Fire Department was an unincorporated association of volunteer firemen.

The Rural Fire Protection District No. 2 contracts with the Loranger Volunteer Fire Department, Inc. and nine other fire departments to carry-out its mission of providing fire protection for the entire parish of Tangipahoa, excluding the incorporated municipalities and entire Third Ward in said parish.

Rural Fire Protection District No. 2 receives ad valorem taxes, state revenue sharing, and two percent fire insurance rebated monies and appropriates these monies, along with interest earnings, to the ten individual fire departments in accordance with an annual agreement. The primary responsibility of each fire department is the prevention and termination of fires which pose a threat to life or property within its areas of responsibility. The secondary responsibility is to respond to any and all calls for assistance from any of the other fire departments in Rural Fire Protection District No. 2.

The annual agreement provides that the appropriation of revenue from Rural Fire Protection District No. 2 be based upon the square miles served by the individual fire departments, the population within the area served, and the number of fire calls received in a given period. The agreement also requires that the individual fire departments expend the appropriations exclusively for the purpose of operating, maintaining, and/or purchasing equipment and supplies for their fire department, and for approved salaries. The agreement additionally requires the individual fire departments to present quarterly statements of funds received and expended.

GENERAL FIXED ASSETS

All general fixed assets used by Loranger Volunteer Fire Department, Inc. are owned by Rural Fire Protection District No. 2. Therefore, there are no general fixed assets reported in the accompanying financial statements. This equipment is purchased with funds of the Loranger Volunteer Fire Department, Inc.

APPROPRIATIONS FROM LOAN PROCEEDS

In 1998, Rural Fire Protection District No. 2 borrowed \$125,000 on Certificates of Indebtedness, Series 1998 to be used by Loranger Volunteer Fire Department, Inc. to purchase a new fire truck.

There were two certificates of indebtedness issued. Certificate No. R-1 is for \$105,000 between the Rural Fire Protection District No. 2 and Hancock Bank of Louisiana. Certificate No. R-2 is for \$20,000 between the Rural Fire Protection District No. 2 and the Louisiana Public Facilities Authority.

Loranger Volunteer Fire Department, Inc.
Selected Notes to Financial Statements - continued

The certificates are secured by and payable solely from an irrevocable pledge and dedication of funds to be derived by the Rural Fire Protection District No. 2 from the levy and collection of a special 10 mills tax authorized to be levied in each of the years 1998 through 2005.

There is no contractual agreement that requires the Loranger Volunteer Fire Department, Inc. to repay this indebtedness to the Rural Fire Protection District No. 2. However, the Loranger Volunteer Fire Department, Inc. is expected to pay the annual debt service on these certificates of indebtedness from the annual appropriation to be received from Rural Fire Protection District No. 2.

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Members of the
Loranger Volunteer Fire Department, Inc.
Loranger, Louisiana

I have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Loranger Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Loranger Volunteer Fire Department, Inc.'s compliance with certain laws and regulations during the year ended December 31, 1999, included in the accompanying 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, I 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. Determine the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Total appropriation from Tangipahoa Parish Rural Fire Protection District No. 2 for the fiscal year ending December 31, 1999, was as follows:

For Fire Protection	\$ 90,012
From Loan Proceeds	127,500

A Federal Grant of \$1,059 was received from the Louisiana Department of Agriculture and Forestry during the current fiscal year.

2. For each federal, state, and local award, randomly select 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements are selected.

Loranger Volunteer Fire Department, Inc.
Independent Accountant's Report
on Applying Agreed-Upon Procedures - (continued)

3. For the items selected in procedure 2, trace the six disbursements to supporting documentation as to proper amount and payee.

I 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.

4. For the items selected in procedure 2, determine if the six disbursements were properly coded to the correct fund and general ledger account.

All the payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, determine whether the six disbursements received approval from proper authorities.

On the first Tuesday of each month, an officer's meeting is held. At this meeting, the Treasurer goes over all the bills for that month with the Chief and the other officers. All bills are approved by the Chief and the officers. Each person initials the book containing the itemized list.

All six disbursements selected indicated proper approval.

6. For the items selected in procedure 2: For Federal awards, determine whether 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 complied with the grant agreement.

Federal Funds received were immaterial.

I determined that each of the six selected disbursements was expended for the purposes of operating, maintaining, and/or purchasing equipment and supplies, and additionally for salaries if approved by Fire District No. 2, as required in the 1999 agreement with Tangipahoa Parish Rural Fire Protection District No. 2.

7. For the programs selected for testing in item (2) that had 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.

No programs were closed out during the period of my review.

Loranger Volunteer Fire Department, Inc.
Independent Accountant's Report
on Applying Agreed-Upon Procedures - (continued)

Meetings

8. 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 meetings law).

Loranger Volunteer Fire Department, Inc. is required to post a notice of each meeting and the accompanying agenda on the door of the Loranger Volunteer Fire Department, Inc.'s station at least twenty-four hours in advance of the meeting.

I examined evidence that such notice was posted.

Comprehensive Budget

9. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency 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.

Loranger Volunteer Fire Department, Inc. did prepare a 1999 budget; however, this does not appear to be required in the agreement with Rural Fire Protection District No. 2.

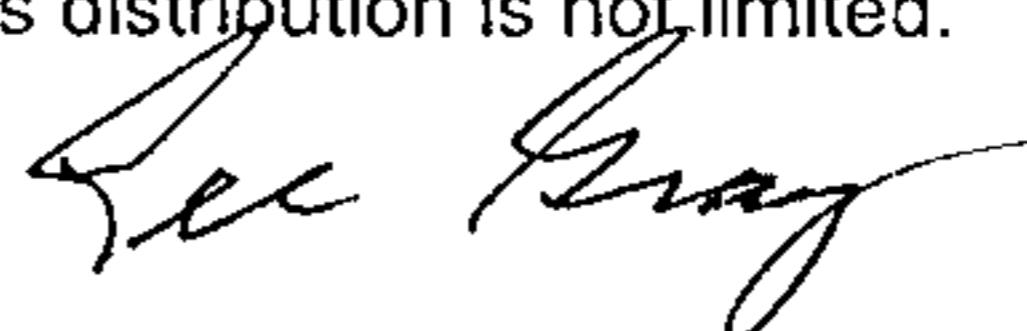
Prior Comments and Recommendations

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

See the Summary Schedule of Prior Attestation Findings on page 12.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Loranger Volunteer Fire Department, Inc. 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.



Certified Public Accountant

June 6, 2000

**LOUISIANA
ATTESTATION
QUESTIONNAIRE**

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

4-5-2000 (Date Transmitted)

Lee Gray, CPA

P.O. Box 368

Amite, LA 70422

(Auditors)

In connection with your compilation of our financial statements as of December 31, 1999 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 (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>Dee Simpson</u>	Secretary	<u>4-4-00</u>	Date
<u>George W. Husen</u>	Treasurer	<u>4-5-00</u>	Date
<u>Robert A. Noel, Sr.</u>	President	<u>4-4-00</u>	Date

Loranger Volunteer Fire Department, Inc.

Summary Schedule of Prior Attestation Findings

For the Year Ended December 31, 1999

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
98-1	12/31/98	No cash disbursements or cash receipt journals	Yes	Not Applicable
98-2	12/31/96	No indication of approval of disbursements by proper authorities	Yes	Not Applicable