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KIDSON VOLUNTEER FIRE DEPARTMENT, INC.
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 1995

05-08 1-17-96
SECURITY DIVISION
05/18/96

under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 — ~~05-04-96~~

Erickson, Krestel, Carter & LaPorte, L.L.C.
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INDEPENDENT AUDITORS' REPORT

Killona Volunteer Fire
Department, Inc.
P.O. Box 140
Killona, Louisiana 70044

We have audited the accompanying general purpose financial statements of the Killona Volunteer Fire Department, Inc. as of and for the year ended December 31, 1995, as listed in the table of contents. These general purpose financial statements are the responsibility of the Killona Volunteer Fire Department, Inc.'s management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Killona Volunteer Fire Department, Inc. as of December 31, 1995, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 23, 1996 on our consideration of the Killona Volunteer Fire Department, Inc.'s internal control structure and a report dated May 23, 1996 on its compliance with laws and regulations.

May 23, 1996

Erickson, Krutiel, Carton & LaPorte

Certified Public Accountants

KILLONA VOLUNTARY FIRE DEPARTMENT, INC.
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1993

ASSETS AND PROVISIONS

	Governmental		Totals					
	FUND TYPE		(Memorandum Only)					
	General	Special	1993	1994				
	Fund	Fund						
Cash	\$	187,982	\$	0	\$	187,982	\$	144,876
Due from Parish (Note 1)		4,388		-		4,388		3,819
Prepaid expenses		2,870		-		2,870		3,854
Fire Protection vehicles		-		154,369		154,369		282,749
Equipment		-		281,813		281,813		133,110
Buildings		-		184,881		184,881		236,348
Land		-		35,822		35,822		38,622
Total assets and provisions	\$	192,240	\$	556,965	\$	749,201	\$	600,328

LIABILITIES AND FUND EQUITY

LIABILITIES:

Accounts payable	\$	4,388	\$	0	\$	4,388	\$	894
Total liabilities		4,388		-		4,388		894

FUND EQUITY:

Fund assets - Investments	-	284,369	284,369	452,553				
Fund balance - reserved for prepaid expenses	2,870	-	2,870	3,854				
Fund balance - unreserved, undesignated	189,370	0	189,370	143,771				
Total fund equity	192,240	284,369	481,610	600,178				
Total liabilities and fund equity	\$	192,240	\$	556,965	\$	749,201	\$	600,328

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

MILLWA VOLUNTEER FIRE DEPARTMENT, INC.
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 1978

	1978	Totals (Comparison Only) 1978
REVENUES:		
Sales tax - 1/8 cent	\$ 59,801	\$ 57,858
Operations and capital improvements millage	87,230	86,317
Interest income	2,839	-
Other revenues	1,000	200
Total revenues	150,870	144,385
EXPENDITURES:		
Utilities:		
Electricity, gas and water	4,709	4,982
Telephone	2,284	2,489
Equipment:		
Maintenance	2,279	551
Fuel	871	803
Insurance	4,218	4,488
Buildings:		
Maintenance	2,888	401
Insurance	2,823	2,327
Fire fighting expenditures:		
Fire fighting supplies	139	2,189
Training	892	90
Blacklistings:		
Professional insurance	878	747
Accounting and auditing	2,878	2,490
Books and subscriptions	78	78
Office expenses	840	2,182
Meetings and other	2,717	2,744
Reserve group activity:		
Equipment purchases	28,208	48,798
Building construction	-	4,008
Total expenditures	68,808	78,888
EXCESS REVENUES OVER EXPENDITURES	81,062	64,897
ENDING FUND BALANCE, JANUARY 1	181,830	128,000
ENDING FUND BALANCE, DECEMBER 31	\$ 262,892	\$ 192,897

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 1990

(II) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Killona Volunteer Fire Department, Inc. (Fire Department) receives funding from local and state government sources and must comply with the concomitant requirements of these funding source entities. However, the Fire Department is a "primary government" and is not included as a component unit of any other St. Charles Parish governmental "reporting entity" as defined in GASB pronouncements, since the entity is a non-profit corporation, and the board members have decision making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. The Fire Department includes all activities that are controlled by it as a quasi-public non-profit corporation organized to provide fire protection to the Parish of St. Charles. The Fire Department has no component units.

The accounting and reporting policies of the Fire Department conform to generally accepted accounting principles as applicable to governmental units.

Fund Accounting

The accounts of the Fire Department are organized on the basis of a fund (General Fund) and account groups, each of which is considered a separate accounting entity. The operations of the General Fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Fire Department records are maintained on a cash basis of accounting. However, the General Fund reported in the accompanying financial statements has been converted to a modified accrual basis of accounting utilizing the following practices in recording revenues and expenditures:

Revenues

sales taxes are recorded in the month the taxes are collected by the St. Charles Parish School Board. Sales taxes become payable to the St. Charles Parish School Board on the first day of the month and become delinquent on the 29th day of the month following incurrence of the taxes by businesses.

WILLOHA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1988

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues (Continued)

A ten year ad valorem tax issue was dedicated to the operations of the Fire Departments beginning in 1981. Each department is to receive one-ninth of annual collections. Taxes levied in November of each year are available for expenditures in the subsequent year.

Interest income on investments is recorded when the investments have matured and income is available.

All other revenues are recorded when received.

The majority of the Fire Department's revenues are derived from the one-eighth of one percent sales tax and the ad valorem tax for operations.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term debt which is not recognized until due.

Cash and Cash Equivalents

The Department is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, and the laws of the United States. The Department may also invest in time certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, these deposits must be secured by the fiscal agent bank. The market value of such pledged securities and Federal deposit insurance must equal or exceed the amount on deposit with the fiscal agent. At December 31, 1988, the carrying amount and the bank balances of the Department were \$187,982, classified as follows:

Federally Insured	\$ 185,150
Uninsured and uncollateralized	_____ 2,832
	<u>\$ 187,982</u>

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 1988, are recorded as prepaid items. A portion of the general fund's fund balance equal to the prepaid items has been reserved to indicate that it is not available for appropriation.

KILGORA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1985

111 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

The Fire Department was not required to prepare a budget for the year ended December 31, 1985.

Encumbrance Accounting

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used in governmental funds.

Fixed Assets and Long-Term Liabilities

Fixed assets used in governmental fund type operations are accounted for in the general fixed assets account group, rather than in the General Fund. No depreciation has been provided on fixed assets. Fixed assets are valued at historical cost. Donated fixed assets are recorded at estimated fair market value at the date of donation.

Long-term liabilities expected to be financed from the General Fund are accounted for in the general long-term liabilities account group.

The two account groups are not "funds". They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

Total Columns

Total columns on the financial statements are captioned "Memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Nor is each data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Comparative Data

Comparative totals for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Fire Department's financial position and operations. However, presentation of prior year totals by fund type have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1985

(2) SALES TAXES

Effective March 1, 1984, sales tax in the amount of one-eighth of one percent is collected by the St. Charles Parish School Board and administered by the Parish President. The sales tax is to be used for fire protection of the Parish of St. Charles. The funds are distributed monthly by the Parish President to the individual fire departments of the St. Charles Parish Firemen's Association, Inc. Effective September, 1984, the sales tax is distributed on the following basis:

	Monthly Dollars	Percent of Remaining Funds
Bayou Gouche Volunteer Fire Dept., Inc.	\$2,500	3.25%
Des Allemands Volunteer Fire Dept., Inc.	\$2,500	4.63%
East Side St. Charles Volunteer Fire Dept., Inc.	\$2,500	23.07%
Hamville Volunteer Fire Dept., Inc.	\$2,500	5.00%
Killona Volunteer Fire Dept., Inc.	\$2,500	3.00%
Luling Volunteer Fire Dept., Inc.	\$2,500	29.00%
North Area Volunteer Fire Dept., Inc.	\$2,500	10.81%
Paradis Volunteer Fire Dept., Inc.	\$2,500	4.29%
St. Rose Volunteer Fire Dept., Inc.	\$2,500	17.29%

(3) REVENUE RECEIVABLE

Revenue receivable at December 31, 1985, consists of 1984 and 1985 ad valorem tax collections remitted to the Department in 1985 and the Fire Department's share of the 1984 net sales tax for the month of November 1985, collected on or before December 28, 1985, by the St. Charles Parish School Board and remitted by St. Charles Parish in January 1986.

An allowance for uncollectible receivables is not recorded by the Fire Department because it considers all receivables collectible at December 31, 1985.

(4) CHANGES IN GENERAL FIXED ASSETS

	Balance 1/1/85	Removal of Assets Transferred from St. Charles Parish in 1984	Purchases 1985	Retirements 1985	Balance 12/31/85
Fire protection vehicles	\$ 254,149	\$ -	\$ -	\$ -	\$ 254,149
Equipment	133,714	-	28,197	-	161,911
Buildings	250,144	103,223	8,158	-	154,981
Land	15,322	-	-	-	15,322
	\$ 653,329	\$ 103,223	\$ 36,355	\$ -	\$ 586,505

WILLOWA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1988

14) CHANGES IN GENERAL FIXED ASSETS (CONTINUED)

During 1994, St. Charles Parish transferred assets purchased with a capital improvements bond issue to each Fire Department. During 1995, the Parish determined that land and buildings purchased with the capital improvements bond issue should have been retained by the Parish. As a result, the land and buildings were removed from the Fire Department's books in the current year. Leases were executed between the Parish and the Fire Departments which provide free use of the facilities to the Fire Departments in exchange for fire protection provided to St. Charles Parish. The leases will remain in effect for a period of twenty years with automatic renewal options for ten year periods.

15) CASH

The Fire Department maintains a separate petty cash account. The petty cash account is funded through public functions held by the Fire Department. Expenditures from this petty cash account are for expenses related to the functions. The amount in the petty cash account was not included in the financial statements and was therefore not subjected to the audit procedures of the financial statements.

16) RISK MANAGEMENT

The Volunteer Fire Department is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; injuries to firemen; and natural disasters. The Volunteer Fire Department carries commercial insurance in amounts sufficient to insure itself against claims resulting from any of these risks.

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Killona Volunteer Fire
Department, Inc.
P.O. Box 140
Killona, Louisiana 70088

We have audited the general purpose financial statements of Killona Volunteer Fire Department, Inc. for the year ended December 31, 1998, and have issued our report thereon dated May 23, 1998.

We conducted our audit in accordance with generally accepted auditing standards, the Louisiana Governmental Audit Guide 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 general purpose financial statements are free of material misstatement.

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

Material instances of noncompliance consist of failures to follow requirements, or violations of prohibitions, contained in statutes, regulations, contracts, or grants, that cause us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the general purpose financial statements. The results of our tests of compliance disclosed the following instances of noncompliance.

Millons Volunteer Fire
Department, Inc.
May 23, 1984
Page 2

At various times during 1983, the balance in the Millons Volunteer Fire Department, Inc.'s account at Taft Carbide Federal Credit Union exceeded the \$100,000 federally insured limit. This excess was not collateralized by Taft Carbide Federal Credit Union as required by Louisiana Revised Statutes. Upon discovery of this instance of noncompliance, Taft Carbide Federal Credit Union was informed that all uninsured deposits must be collateralized in accordance with Louisiana Revised Statutes.

We considered this instance of noncompliance in forming our opinion on whether the Millons Volunteer Fire Department, Inc.'s general purpose financial statements are presented fairly in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated May 23, 1984 on these general purpose financial statements.

This report is intended for the information of management, St. Charles Parish and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

May 23, 1984

Erchen, Knott, Carter & LaFollette, LLP
Certified Public Accountants

Erickson, Krentel, Canton & LaPorte, LLP
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**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Millions Volunteer Fire
Department, Inc.
P.O. Box 140
Millions, Louisiana 70068

We have audited the general purpose financial statements of
Millions Volunteer Fire Department, Inc. for the year ended
December 31, 1995, and have issued our report thereon dated
May 23, 1996.

We have conducted our audit in accordance with generally accepted
auditing standards, the Louisiana Governmental Audit Guide 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 general purpose financial statements are free of material
misstatement.

The management of Millions 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
executed in accordance with management's authorization and
recorded properly to permit the preparation of general purpose
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.

Killona Volunteer Fire
Department, Inc.
May 23, 1996
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In planning and performing our audit of the general purpose financial statements of Killona Volunteer Fire Department, Inc., for the year ended December 31, 1995, 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 general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operations that we consider to be reportable conditions 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 general purpose financial statements.

Our evaluation of the internal control structure revealed an absence of appropriate segregation of duties consistent with appropriate control objectives. The Department is small and therefore it is not feasible to maintain an adequate segregation of duties among accounting personnel.

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 general purpose 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 none of the reportable conditions described above is a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of the Killona Volunteer Fire Department, Inc., in a separate letter dated May 23, 1996.

Kilona Volunteer Fire
Department, Inc.
May 23, 1988
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This report is intended for the information of management, St. Charles Parish, and the State of Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

May 23, 1988

Ernst, Kennel, Carter & LaPorte
Certified Public Accountants

Erickson, Krentel, Canton & LaForte, L.L.P.
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MANAGEMENT LETTER

May 23, 1996

Killona Volunteer Fire Department, Inc.
P. O. Box 140
Killona, Louisiana 70066

In planning and performing our audit of the financial statements of Killona Volunteer Fire Department, Inc. for the year ended December 31, 1995, we considered the Department's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate report dated May 23, 1996, contains our report on reportable conditions in the Department's internal control structure. This letter does not affect our report dated May 23, 1996, on the financial statements of the Department.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Department personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Erickson, Krentel, Canton & LaForte, L.L.P.
Certified Public Accountants

Milwau Volunteer Fire Department, Inc.
May 23, 1988
Page 3

MANAGEMENT LETTER POINTS

Investment of Excess Cash

We believe the Department could benefit from reducing the amounts of cash being maintained in noninterest-bearing operating accounts. Only minimum balances required for day-to-day operations need be kept in operating accounts, and amounts not needed for operations may be used to reduce borrowings or may be invested on a short-term basis. Effective cash management can increase the return earned on the Department's resources.