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MANHATTAN VOLUNTEER FIRE DEPARTMENT

COMPILATION REPORT

DECEMBER 31, 1996

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 _____

MANCHAC VOLUNTEER FIRE DEPARTMENT

COMPILATION REPORT

DECEMBER 31, 1996

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TRANSMITTAL LETTER

ANNUAL FINANCIAL STATEMENTS

December 31, 1996

Office of Legislative Auditor
Attention: Ms. Carmen Walker
1600 North Third
Post Office Box 94087
Baton Rouge, Louisiana 70804-0087

Dear Ms. Walker:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Manchac Volunteer Fire Department of Tangipahoa Parish as of and for the fiscal year ended December 31, 1996. The report includes all funds under the control and oversight of the fire department. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,



Ms. Carmen Reno
Manchac Volunteer Fire Department

Enclosure

MANCHAC VOLUNTEER FIRE DEPARTMENT
MANCHAC, LOUISIANA

ANNUAL SWORN FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1996
WITH APPROPRIATE SUPPLEMENTAL INFORMATION

AFFIDAVIT

Personally came and appeared before the undersigned notary, Ms. Carmen Reno, who duly sworn, deposes and says that the financial statements herewith given present truly the financial position of the Manchac Volunteer Fire Department as of December 31, 1996, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

Carmen J. Reno
Signature

Sworn to and subscribed before me this 11th day of March, 1997.

Melba L. Vallée

NOTARY PUBLIC

MARLENE B. WILKINS
Notary Public, Notary Public, Ltd.
My Commission Expires 01/01/98

Officer: Ms. Carmen Reno

Address: Post Office Box 20
Manchac, Louisiana 70421

Telephone: (504) 286-8638

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MEMBERS
American Institute of CPAs
Board of Certified CPAs

ACCOUNTANT'S COMPILATION REPORT

Members of the Manchac Volunteer Fire Department
Post Office 20
Manchac, Louisiana 70421

We have compiled the accompanying balance sheet of the Manchac Volunteer Fire Department as of December 31, 1996, and the related statement of support, revenue, and expenses and changes in fund balance, and changes in cash flows, for the year then ended in accordance with the 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Bruce Harrill & Co.

Bruce Harrill & Company, CPAs
A Professional Accounting Corporation

March 11, 1997

MANHASSET VOLUNTEER FIRE DEPARTMENT

BALANCE SHEET

December 31, 1999

	<u>1999</u>
Assets	
Cash	\$ 85,873
Acc. Veterans Receivable	<u>25,356</u>
Total Assets	\$ <u>111,229</u>
Liabilities and Fund Balance	
Accounts Payable	\$ 1,231
Accrued Payroll Tax	<u>29</u>
Total Liabilities	<u>1,260</u>
Fund Balance, Unrestricted	<u>110,171</u>
Total Liabilities and Fund Equity	\$ <u>111,229</u>

"See accompanying notes and accountant's compilation report."

MANHATTAN VOLUNTEER FIRE DEPARTMENT

**STATEMENT OF SUPPORT, REVENUE, AND EXPENSES AND
CHANGES IN FUND BALANCE**

YEAR ENDED December 31, 1996

	<u>1996</u>
Public Support	
Allocated by Fire Protection District No.2	\$ 54,299
Other	344
	<u>54,643</u>
Total Public Support	<u>54,643</u>
Revenue	
Interest Income	2,412
	<u>2,412</u>
Total Revenue	<u>2,412</u>
	<u>57,055</u>
Total Public Support and Revenue	<u>57,055</u>
Expenses	
Supporting Services	
Accounting	1,650
Building Repairs & Maintenance	4,270
Capital Expenditures-Equipment	28,346
Equipment Repairs and Maintenance	1,888
Fuel & Lubricants	349
Insurance	1,818
Miscellaneous	202
Office Supplies	51
Payroll Taxes	208
Salaries	2,388
Station Supplies	802
Telephone	808
Utilities	4,255
	<u>45,898</u>
Total Expenses	<u>45,898</u>
Excess of Public Support and Revenue Over Expenses	12,047
Fund Balance, Beginning of Year	<u>88,134</u>
Fund Balance, End of Year	\$ <u>100,181</u>

"See accompanying notes and accountant's compilation report."

MANHATTAN VOLUNTEER FIRE DEPARTMENT

STATEMENT OF CASH FLOWS

YEAR ENDED December 31, 1998

	<u>1998</u>
Cash Flows from Operating Activities	
Excess of Revenues Over Expenses	\$ 12,017
Adjustments to Reconcile Excess of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:	
Change in Accounts Receivable	(18,142)
Change in State Revenue Sharing Receivable	2,910
Change in Accounts Payable	569
Change in Accrued Payroll Tax Payable	<u>(23)</u>
Net Cash Provided (Used) by Operating Activities	<u>(12,889)</u>
Net Decrease in Cash and Temporary Cash Investments	(940)
Cash and Temporary Cash Investments, January 1, 1998	<u>88,800</u>
Cash and Temporary Cash Investments, December 31, 1998	\$ <u>85,872</u>

See accompanying notes and accountant's compilation report.

MANCHAC VOLUNTEER FIRE DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1996

I. Summary of Significant Accounting Policies

The purpose of the Manchac Volunteer Fire Department is to enter into agreements or contracts with nearby communities to provide fire protection or to establish a mutual aid system. The Manchac Volunteer Fire Department is one of the fire departments, located in Tangipahoa Parish, that comprise the Tangipahoa Parish Fire Protection District No. 2. Fire Protection District No. 2 was created by the Tangipahoa Parish Police Jury on October 18, 1993.

Fire Protection District No. 2 receives ad valorem taxes, State revenue sharing, and the 2% fire insurance rebate monies, which are in turn distributed, along with any interest earned, to the individual fire departments, in accordance with an annual agreement.

The accounting policies of the Manchac Volunteer Fire Department (the fire department) conform to generally accepted accounting principles as applicable to nonprofit organizations. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 26, *The use of Not-for-Profit Accounting and Financial Reporting by Governmental Entities*, the Manchac Volunteer Fire Department applies the AICPA not-for-profit model for financial reporting. GASB No. 29 defines the AICPA not-for-profit model to consist of the accounting and reporting principles contained in Statement of Position (SOP) 87-20, and *Guide to Voluntary Health and Welfare Organizations*, as amended by SOP 87-2 and as modified by all applicable Financial Accounting Standards Board (FASB) pronouncements issued through November 30, 1989, and as modified by most applicable GASB pronouncements. The following is a summary of the significant policies:

A. Fund Accounting

The accounts of the fire department are maintained in accordance with the principles of fund accounting. The fire department has only one fund. The operation of this fund is accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenses. Following is a brief explanation of the fund included in these financial statements:

Current Fund

Unrestricted - The unrestricted fund is used to account for resources currently available over which the fire department has discretionary control to use in carrying on its operations in accordance with the limitations of the charter and bylaws.

MANCERAC VOLUNTEER FIRE DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

DECEMBER 31, 1994

B. Basis of Accounting

Basis of accounting refers to when income and expenses are recognized. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The fire department's funds are accounted for using an accrual basis. Under this method revenues are recognized when they are earned, and expenses are recognized when they are incurred.

C. Donated Materials and Office Space

The fire department is given use of fire equipment from the Tangipahoa Parish Fire Protection District #2. All assets other than cash, are the property of the Tangipahoa Fire Protection District #2 and/or the Tangipahoa Parish Council.

D. Federal Income Taxes

The fire department is exempt from Federal and State income taxes under Section 501 (c) (3) of the Internal Revenue Code.

BRUCE BARRELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
an Independent Accounting Corporation

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Institute of Certified Public
Accountants of Louisiana (ICPA)

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

To the Board of Commissioners
Mandeville Volunteer Fire Department
Post Office Box 20
Mandeville, Louisiana 70711

We have performed the procedures included in the Louisiana Government Audit Guide and annotated below, which were agreed to by the management of the Mandeville Volunteer Fire Department and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Mandeville Volunteer Fire Department's compliance with certain laws and regulations during the year ended December 31, 1998 included in the accompanying Louisiana *Attestation Questionnaire*. This agreed-upon procedure's 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.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with L.S.A.-RS 38:2211-2231 (the public bid law).

Mandeville Volunteer Fire Department purchased a used fire truck for \$32,000. The fire truck was purchased under state contract. There were no other expenditures for materials or supplies exceeding \$5,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by L.S.A.-RS-92:1101-1124 (the code of ethics), and a list of outside business interest of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

To the Board of Commissioners
Manchester Volunteer Fire Department
Page 2

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list including the noted information.

4. Determine whether any of those employees included in the list obtained from management in agreed-upon procedure (1) were also included on the list obtained from management in agreed-upon procedure (2) as immediate family members.

None noted.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

The volunteer fire department is not subject to the budget laws, since the volunteer fire department is a nonprofit organization.

6. Trace the budget adoption and amendments to the minute book.

N/A - See agreed-upon procedure (5) above.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

N/A - See agreed-upon procedure (7) above.

Accounting and Reporting

8. Randomly select 6 disbursements made 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 the payment was for the proper amount and made to the correct payee.

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

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

To the Board of Commissioners
Mandac Volunteer Fire Department
Page 3

- (c) determine whether payments received approval from proper authorities.

Inspection of the documentation supporting each of the six selected disbursements indicated approvals from all of the board of commissioners.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised by LSA-RS 42:1 through 42:12 (the open meetings law).

The volunteer fire department is not subject to the open meetings law, since the volunteer fire department is a nonprofit organization.

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected all bank deposits for the period under examination and all none of the deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

None noted.

We were not engaged to, and did not, perform an examination, the objectives 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 Mandac 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.

Bruce Harrell & Co.

Bruce Harrell and Company, CPAs
A Professional Accounting Corporation
March 11, 1997

LOUISIANA ATTESTATION QUESTIONNAIRE

March 11, 1993 Date

Ernst Harell & Company, CPAs
& Professional Accounting Corporation
Post Office Box 45-800 Hills Street
Kenner, Louisiana 70144

ENTITY: Mandeville Volunteer Fire Department
Post Office Box 28
Mandeville, Louisiana 70422

In connection with the compilation of our financial statements as of December 31, 1992, and for December 31, 1991, 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. These representations are based on the information available to us as of March 11, 1993.

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes No N/A

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1990, under circumstances that would constitute a violation of LSA-RS 42:1109.

Yes No N/A **State Laws Relating to Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:43.

Yes No N/A **Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:3, 44:31, and 44:36.

Yes No N/A

We have filed our annual financial statements in accordance with LSA-RS 24:314, 35:463, and/or 39:52, as applicable.

Yes No N/A

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes No N/A **Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:13.

Yes No N/A **Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1874 Louisiana Constitution, and LSA-RS 47:3405.63.

Yes No N/A **Payments**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-328.

Yes No N/A

We accept responsibility for our compliance with the foregoing matters, as well as our responsibility for the controls over compliance. The foregoing representations are made to you based upon our evaluation of our activities as of December 31, 1998 and for the year then ended, as well as the controls relating to the compliance issues.

The Previous responses have been made to the best of our belief and knowledge.

Cameron A. Reno

Officer

March 11, 1999

Date

Note:

Quasi-public entities should discuss references to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.

Note:

The Mandeville Volunteer Fire Department functions as a Non-Profit Organization. Per contract with the Tangipahoa Fire District No. 2, Tangipahoa Parish, Louisiana, Mandeville Volunteer Fire Department is required to expense furniture for the purposes of operating, maintaining, and/or purchasing equipment and supplies subject to the Public Bid Law, for their respective fire departments, and additionally for furniture if approved by the Fire District No. 2. All assets purchased are to be under the ownership of Tangipahoa Fire District No. 2.