

MANAGEMENT LETTER POINTS

Investment of Excess Cash

We believe the Department could benefit from reducing the amounts of cash being maintained in low or 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.

Erickson, Krenzel, Canton & LaPorte, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

400 LAKE DRIVE NEW ORLEANS, LOUISIANA 70115-0995
NEW ORLEANS (504) 488-7373 FAX (504) 488-0535

June 11, 1993

William J. Erickson
Paul J. Krenzel
James E. Canton
Thomas H. LaPorte
Thomas W. Johnson, Jr.
Steve M. Brown
Glenn M. Gaudin

MEMBERSHIP NO. 00100000

CPA License No. 00111111
MEMBER NO. 00111111

Merco Area Volunteer Fire Department, Inc.
P.O. Box 191
Merco, Louisiana 70079

In planning and performing our audit of the financial statements of Merco Area Volunteer Fire Department, Inc. for the year ended December 31, 1992, we considered the Department's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assistance on internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. A separate report dated June 11, 1993, contains our report on reportable conditions in the Department's internal control. This letter does not affect our report dated June 11, 1993, on the financial statements of Merco Area Volunteer Fire 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.

Sincerely,

Erickson, Krenzel, Canton & LaPorte, P.C.
Certified Public Accountants

Erickson, Krentel, Canton & LaPorte, LLP
CERTIFIED PUBLIC ACCOUNTANTS

4177 CANAL STREET NEW ORLEANS, LOUISIANA 70112-9999
TELEPHONE (504) 485-7701 FAX (504) 485-2118

Deborah J. Erickson
Charles Krentel
Joseph E. Canton
Richard M. LaPorte
Douglas J. Cantelmo, III
Kathleen M. Brown
Clayton M. DeBorja
CPAs

MEMBERSHIP INFORMATION

AN EQUAL OPPORTUNITY FIRM
Erickson, Krentel, Canton & LaPorte, LLP
Member: AICPA, CPA, IAIA

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

Morco Area Volunteer Fire Department, Inc.
P.O. Box 321
Morco, Louisiana 70079

We have audited the general purpose financial statements of Morco Area Volunteer Fire Department, Inc. as of and for the year ended December 31, 1990, and have issued our report thereon dated June 13, 1991.

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 Morco Area Volunteer Fire Department, Inc. is the responsibility of Morco Area 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 Morco Area Volunteer Fire Department, Inc.'s compliance with certain provisions of laws, regulations and contracts. 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.

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

June 11, 1991

Erickson, Krentel, Canton & LaPorte
Certified Public Accountants

Monroe Area Volunteer Fire Department, Inc.
June 11, 1997
Page 3

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Monroe Area Volunteer Fire Department, Inc., in a separate letter dated June 11, 1997.

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.

June 11, 1997

Ernst, Krentz, Carter & LaPorte, LLP
Certified Public Accountants

Merco Area Volunteer Fire Department, Inc.
June 11, 1997
Page 2

In planning and performing our audit of the general purpose financial statements of Merco Area Volunteer Fire Department, Inc., for the year ended December 31, 1996, 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 amounts 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.

Erickson, Kronel, Canton & LaPorte, LLP
CERTIFIED PUBLIC ACCOUNTANTS

4007 CANAL STREET NEW ORLEANS, LOUISIANA 70112-0999
TELEPHONE (504) 484-7276 FAX (504) 480-2115

Raymond J. Erickson
James A. Kronel
Robert B. Canton
Donald W. LaPorte
Christopher D. Cantor, III
Michael A. Adams
Charles M. Swanson

www.ekc.com/audit

CPA FIRM REGISTRATION NO. 0000
MEMBER OF AICPA SINCE 1988

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

Merco Area Volunteer Fire Department, Inc.
P.O. Box 371
Merco, Louisiana 70079

We have audited the general purpose financial statements of Merco Area Volunteer Fire Department, Inc. for the year ended December 31, 2004, and have issued our report thereon dated June 11, 2007.

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.

The management of Merco Area 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.

MOROC AREA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

(6) 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 firetrucks. 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.

(7) RISK MANAGEMENT

The Volunteer Fire Department is exposed to various risks of losses related to theft, 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.

NORCO AREA VOLUNTARY FIRE DEPARTMENT, INC.
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 1998

44) GENERAL LONG-TERM LIABILITIES

The following is a summary of changes in general long-term liabilities during the year ended December 31, 1998:

Long-term liabilities, beginning of period	\$ 162,318
Reductions	<u>143,910</u>
Long-term liabilities, end of period	\$ <u>118,408</u>

The annual requirements to amortize liabilities outstanding as of December 31, 1998 are as follows:

Year	
1997	\$ 48,800
1998	22,731
1999	23,812
2000	<u>24,065</u>
Total	\$ <u>119,408</u>

Details of long-term debt are as follows:

Note payable to Koch Financial Corp. collateralized by a 1991 Ford Fire Truck, bearing an interest rate of 9.25, payable in annual installments of \$27,205. Due April 15, 1999.

\$ 25,118

Capital lease obligation to Ford Motor Credit collateralized by a 1994 Spartan Chassis bearing an interest rate of 4.75%, payable in annual installments of \$26,128. Bargain purchase option of \$1.08 on July 31, 2000.

23,190

\$ 118,308

45) CHANGES IN GENERAL FIXED ASSETS

	Balance <u>1/1/98</u>	Purchases <u>1998</u>	Retirements <u>1998</u>	Balance <u>12/31/98</u>
Fire protection vehicles	\$ 489,850	\$ -	\$ -	\$ 489,850
Equipment	477,370	22,628	-	500,000
Buildings	286,968	-	-	286,968
Land	<u>23,000</u>	<u>-</u>	<u>-</u>	<u>23,000</u>
	\$1,277,200	\$ <u>22,628</u>	\$ -	\$1,499,828

MOGEO AREA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

43) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

42) SALES TAX REVENUE

Effective March 1, 1996, 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, 1994, the sales tax is distributed on the following basis:

	Monthly Basis	Percent of Remaining Funds
Bayou Gauche Volunteer Fire Dept., Inc.	\$2,500	3.21%
Ima Allamanda Volunteer Fire Dept., Inc.	\$2,500	4.83%
East Side St. Charles Volunteer Fire Dept., Inc.	\$2,500	23.97%
Hahnville Volunteer Fire Dept., Inc.	\$2,500	5.92%
Millons Volunteer Fire Dept., Inc.	\$2,500	1.36%
Juling Volunteer Fire Dept., Inc.	\$2,500	29.88%
Mogeo Area Volunteer Fire Dept., Inc.	\$2,500	10.41%
Paradis Volunteer Fire Dept., Inc.	\$2,500	4.28%
St. Rose Volunteer Fire Dept., Inc.	\$2,500	17.28%

44) REVENUE RECEIVABLE

Revenue receivable at December 31, 1996, consists of the Fire Department's share of the 1/8th cent sales tax for the month of November 1996, collected on or before December 30, 1996, by the St. Charles Parish School Board and remitted by St. Charles Parish in January 1997.

An allowance for uncollectible receivables is not recorded by the Fire Department because it considers all receivables collectible at December 31, 1996.

MONROE AREA VOLUNTEER FIRE DEPARTMENT, INC.
NOTICE TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1996

413 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 1996, 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.

Budgets and Budgetary Accounting

The Fire Department was not required to prepare a budget for the year ended December 31, 1996.

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. Depreciated 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 of Combined Balance Sheet

Total columns on the combined balance sheet 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 such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BERNCO AREA VOLUNTARY FIRE DEPARTMENT, INC.
NOTICE TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1998

II SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 25th day of the month following occurrence of the taxes by businesses.

A ten year ad valorem tax issue was dedicated to the operations of the Fire Departments beginning in 1990. Each department is to receive one-ninth of annual collections. Taxes levied in November 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 fixed 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 each pledged certificate and Federal deposit insurance must equal or exceed the amount on deposit with the fiscal agent. At December 31, 1998, all deposited funds were secured by Federal deposit insurance.

NORCO AREA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 1976

III SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Norco Area 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:

WOODS AREA VOLUNTEER FIRE DEPARTMENT, INC.
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1986

	1986	TOTALS 1985 and 1986 Only 1985
REVENUES:		
Sales tax - 1/8 cent	\$ 89,297	\$ 89,000
Operations and capital improvements billing	89,769	87,200
Fire insurance rebate	9,958	9,281
Other revenues	12,287	8,200
Total revenues	191,311	193,681
EXPENDITURES:		
OPERATING:		
Electricity	7,782	4,200
Gas	625	871
Telephone	1,829	3,400
Water	882	1,179
Equipment:		
Maintenance	18,168	21,200
Fuel	1,299	1,800
Insurance	9,388	21,700
Buildings:		
Maintenance	8,075	1,700
Insurance	8,278	1,800
Personnel:		
Insurance	2,024	1,200
Training	7,000	1,500
Miscellaneous:		
Accounting and auditing	2,000	1,800
Maps and subscriptions	438	300
Fire supplies	8,000	1,200
Office supplies	775	200
Meals and other	9,891	1,400
Recreation group activity:		
Equipment purchases	20,800	1,200
Food retirement	93,810	8,100
Salaries	9,820	1,200
Total expenditures	199,881	197,100
EXCESS (DEFICIENCY) OF REVENUES OVER		
EXPENDITURES	11,430	6,581
OTHER FINANCING SOURCES:		
Transfer from sale of fixed asset	-	700
Total other financing sources	-	700
EXCESS (DEFICIENCY) OF REVENUES AND OTHER		
FINANCING SOURCES OVER EXPENDITURES	11,430	7,281
FUND BALANCE, BEGINNING OF YEAR	108,737	91,400
FUND BALANCE, END OF YEAR	\$ 120,167	\$ 98,681

See accompanying NOTES TO GENERAL FUNDING FINANCIAL STATEMENTS

PORT AREA WASTEWATER FUND MANAGEMENT, INC.
CONSOLIDATED BALANCE SHEET
ALL FUND FUNDS AND ACCOUNT GROUPS
DECEMBER 31, 2002

ASSETS AND LIABILITIES

	Governmental		Account		Totals			
	Fund Type		Group		(Consolidation Entry)			
	General	Special	General	Long-Term	2002	2001		
Fund		Fixed Assets	Debt/Other					
Cash	\$	115,324	\$	-	\$	115,324	\$	70,857
Int. from Parishes (Note 3)		6,741		-		6,741		7,014
Prepaid expenses		17,784		-		17,784		18,184
Fire Protection vehicles	-	-	499,816	-		499,816		587,854
equipment	-	-	100,306	-		100,306		270,570
Buildings	-	-	190,849	-		190,849		185,800
Land	-	-	23,808	-		23,808		24,800
Self retirement	-	-	-	118,368		118,368		197,518
provisions	-	-	-	-		-		-
Total assets and								
positions	\$	318,860	\$	1,418,839	\$	1,738,099	\$	1,791,210

LIABILITIES AND FUND EQUITY

LIABILITIES:

Accounts payable	\$	1,480	\$	-	\$	1,480	\$	842
Notes payable and capital								
lease (Note 4)	-	-	-	218,368	-	218,368	-	247,518
Total liabilities	\$	1,480	\$	218,368	\$	220,000	\$	248,360

FUND EQUITY:

Fixed asset investments	-	1,498,830	-	1,498,830		1,498,830		1,471,210
Fund balance - unreserved								
for prepaid expenses	17,784	-	-	-		17,784		18,398
State Excess -								
unreserved,								
unappropriated	118,592	-	-	-		118,592		91,912
Total fund equity	126,376	1,498,830	-	-	1,625,206	1,625,206	1,563,122	1,563,122
Total liabilities								
and fund equity	\$	318,840	\$	1,418,830	\$	1,738,099	\$	1,791,210

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MONROE AREA VOLUNTEER FIRE DEPARTMENT, INC.

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 1962

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the courts for review, entry and filing for public officials. This 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 AUG 26 1963

Erickson, Krenzel, Canton & LaPorte, L.L.C.
LIMITED PUBLIC ACCOUNTANTS

4027 CANAL STREET NEW ORLEANS, LOUISIANA 70119-1114