



KILLON VOLUNTEER FIRE DEPARTMENT, INC.
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 1966

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the parish or reviewed, verify and check appropriate public officials. This report is available for public inspection at the District House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: _____

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Erickson, Krestel, Canton & LaPorte, SLP
CERTIFIED PUBLIC ACCOUNTANTS

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MEMBERSHIP INFORMATION

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INDEPENDENT AUDITORS' REPORT

Killbuck Volunteer Fire Department, Inc.
P.O. Box 149
Killbuck, Louisiana 70066

We have audited the accompanying general purpose financial statements of the Killbuck Volunteer Fire Department, Inc. as of and for the year ended December 31, 1994, as listed in the table of contents. These general purpose financial statements are the responsibility of the Killbuck 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 Code 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. 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 Killbuck Volunteer Fire Department, Inc. as of December 31, 1994, 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 30, 1997 on our consideration of the Killbuck Volunteer Fire Department, Inc.'s internal control structure and a report dated May 30, 1997 on its compliance with laws and regulations.

May 30, 1997

Erickson, Krestel, Canton & LaPorte

Certified Public Accountants

REGIONS YOUTHWORK FUND DEPARTMENT, INC.
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 DECEMBER 31, 1988

ASSETS AND PROVISIONS

| | Governmental Fund Type | ACCOUNT Group | Totals | |
|--------------------------------|---------------------------|-------------------------|-------------------|------------|
| | | | (Memorandum Only) | |
| | | | 1988 | 1-88 |
| | General Fund | General Fixed Assets | | |
| Cash | \$ 224,256 | \$ - | \$ 224,256 | \$ 224,256 |
| Due from various (Note B) | 3,220 | - | 3,220 | 3,220 |
| Prepaid expenses | 4,827 | - | 4,827 | 4,827 |
| Fire Protection vehicles | - | 275,584 | 275,584 | 275,584 |
| Equipment | - | 175,824 | 175,824 | 175,824 |
| Buildings | - | 154,881 | 154,881 | 154,881 |
| Land | - | 25,522 | 25,522 | 25,522 |
| Total assets and provisions | \$ 238,313 | \$ 625,811 | \$ 864,124 | \$ 864,124 |

LIABILITIES AND FUND EQUITYLIABILITIES:

| | | | | |
|-------------------|----------|------|----------|----------|
| Accounts payable | \$ 1,809 | \$ - | \$ 1,809 | \$ 1,809 |
| Total liabilities | 1,809 | - | 1,809 | 1,809 |

FUND EQUITY:

| | | | | |
|---|------------|------------|------------|------------|
| Fixed asset investments | - | 823,294 | 823,294 | 823,294 |
| Fund balance - reserved for prepaid expenses | 4,827 | - | 4,827 | 4,827 |
| Fund balance - unreserved, undesignated | 238,313 | - | 238,313 | 238,313 |
| Total fund equity | 243,140 | 823,294 | 866,434 | 866,434 |
| Total liabilities and fund equity | \$ 244,949 | \$ 823,294 | \$ 868,268 | \$ 868,268 |

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS.

KILGORE VOLUNTEER FIRE DEPARTMENT, INC.
CONDENSED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998

| | 1998 | | 1997 | |
|---|------|---------|------|---------|
| REVENUES: | | | | |
| Sales tax - 1/8 cent | \$ | 48,282 | \$ | 37,811 |
| Operations and capital improvements millage | | 69,359 | | 61,298 |
| Debt/rent income | | 3,173 | | 7,658 |
| Other revenues | | 852 | | 1,095 |
| Total revenues | | 121,566 | | 107,862 |
| EXPENDITURES: | | | | |
| Utilities: | | | | |
| Electricity, gas and water | | 8,883 | | 6,739 |
| Telephone | | 1,323 | | 1,154 |
| Equipment: | | | | |
| Maintenance | | 4,651 | | 3,359 |
| Fuel | | 759 | | 582 |
| Insurance: | | | | |
| Buildings | | 3,889 | | 3,718 |
| Maintenance | | 3,641 | | 3,808 |
| Insurance | | 3,481 | | 3,473 |
| Fire fighting expenditures: | | | | |
| Fire fighting supplies | | 8,889 | | 796 |
| Training | | 1,885 | | 550 |
| Miscellaneous: | | | | |
| Financial assistance | | 1,781 | | 979 |
| Accounting and auditing | | 2,450 | | 1,646 |
| Taxes and subscriptions | | 75 | | 58 |
| Office expenses | | 888 | | 513 |
| Meetings and other | | 2,659 | | 2,717 |
| Account group activities | | | | |
| Equipment purchases | | 75,480 | | 71,759 |
| Total expenditures | | 78,889 | | 71,599 |
| REVENUE REVENUES OVER EXPENDITURES | | 42,677 | | 36,263 |
| BEGINNING FUND BALANCE, JANUARY 1 | | 125,823 | | 101,600 |
| ENDING FUND BALANCE, DECEMBER 31 | \$ | 168,500 | \$ | 137,863 |

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 1986

113 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:

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

43) 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 30th day of the month following incurrence of the taxes by businesses.

A one year ad valorem tax issue was dedicated to the operations of the Fire Departments beginning in 1991. 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-ninth 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, 1998, the carrying amount and the bank balances of the Department were \$227,178, classified as follows:

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (Continued)

| | |
|--------------------------------|-------------------|
| Federally insured | \$ 219,391 |
| Uninsured and uncollateralized | <u> 8,000</u> |
| | \$ <u>227,391</u> |

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 1998 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, 1998.

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.

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

(3) 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 20, 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.

(4) CHANGES IN GENERAL FIXED ASSETS

| | Balance 1/1/96 | Purchases 1996 | Retirements 1996 | Balance 12/31/96 |
|-----------------|-------------------|-------------------|---------------------|---------------------|
| Fire protection | | | | |
| Vehicles | \$ 354,169 | \$ 21,303 | \$ - | \$ 375,464 |
| Equipment | 141,843 | 14,011 | - | 177,854 |
| Buildings | 154,981 | - | - | 154,981 |
| Land | 13,527 | - | - | 13,527 |
| | <u>\$ 664,520</u> | <u>\$ 35,314</u> | <u>\$ -</u> | <u>\$ 700,834</u> |

(5) 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.

(6) 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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MEMBERSHIP INFORMATION

CPA FIRM RANKING FOR THE
YEAR 2014 (BASED ON 2013)

**INDEPENDENT AUDITORS' 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 100
Millions, Louisiana 70066

We have audited the general purpose financial statements of Millions Volunteer Fire Department, Inc. as of and for the year ended December 31, 1996, and have issued our report thereon dated May 30, 1997.

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 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.

Killbuck Volunteer Fire Department, Inc.
May 18, 1997
Page 2

In planning and performing our audit of the general purpose financial statements of Killbuck 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.

Killona Volunteer Fire Department, Inc.
May 30, 1997
Page 3

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Killona Volunteer Fire Department, Inc., in a separate letter dated May 30, 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.

May 30, 1997

Ernst, Krentel, Carter & LaPointe, L.L.C.
Certified Public Accountants

Erickson, Krontel, Canton & LaPorte, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Raymond J. Ferguson*
Thomas A. Krontel*
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**ISSUANCE OF THIS REPORT
DEPENDS ON RECEIPT OF THE
CHECKED BY STATEMENT, 1997.**

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

Millions Volunteer Fire Department, Inc.
P.O. Box 148
Millions, Louisiana 70066

We have audited the general purpose financial statements of Millions Volunteer Fire Department, Inc. as of and for the year ended December 31, 1996, and have issued our report thereon dated May 30, 1997.

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 to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations and contracts applicable to Millions Volunteer Fire Department, Inc. is the responsibility of Millions 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 Millions 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.

We noted certain immaterial instances of noncompliance that we have reported to the management of Millions Volunteer Fire Department, Inc. in a separate letter dated May 30, 1997.

Millers Volunteer Fire Department, Inc.
May 30, 1997
Page 2

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

May 30, 1997

Ernst, Kraus, Carter & LaFors, s.c.
Certified Public Accountants

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Members of Louisiana
Board of Accountancy

MEMBERSHIP INFORMATION

100 YEARS OF SERVICE TO THE PUBLIC
1917-2017

MANAGEMENT LETTER

May 30, 1997

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

In planning and performing our audit of the financial statements of Millions Volunteer Fire Department, Inc. for the year ended December 31, 1996, 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 assurance on internal control.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency as well as immaterial instances of non-compliance with laws and regulations which need to be corrected. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. A separate report dated May 30, 1997, contains our report on reportable conditions in the Department's internal control. This letter does not affect our report dated May 30, 1997, on the financial statements of Millions 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,


Certified Public Accountants

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 invested on a short-term basis. Effective cash management can increase the return earned on the Department's resources.

Collateralization of cash balances

At December 31, 1994, the Department's cash balances in excess of insured amounts were not adequately collateralized. When Hibernia Bank acquired American Bank, Hibernia failed to recognize the Millona Volunteer Fire Department as a public funds entity. As a result, collateral was not pledged as required by Louisiana Revised Statute 38:1273. Hibernia has corrected its oversight in 1997. We recommend that the Department continually monitor this situation to ensure that all excess deposits are collateralized.

At various times during 1994, the Department's cash balances in excess of insured amounts at Taft Caribbe Federal Credit Union were not adequately collateralized. Upon discovery of this instance of noncompliance, Taft Caribbe Federal Credit Union was informed that all uninsured deposits must be collateralized in accordance with Louisiana Revised Statute 38:1273. We recommend that the Department continually monitor this situation to ensure that all excess deposits are collateralized.