

1578  
98301065

RECEIVED  
LEGISLATIVE AUDITOR  
59 JUN 90 AM 10:23

OFFICIAL  
FILE COPY

**DO NOT REMOVE**

Check location of  
books from  
open and fit  
BACK IN PL.

BAYOU GAUCHE VOLUNTEER FIRE DEPARTMENT, INC.

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 1997

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 06/06/98

## CONTENTS

	<b>PAGE</b>
<b><u>INDEPENDENT AUDITORS' REPORT</u></b>	<b>1</b>
<b><u>GENERAL PURPOSE FINANCIAL STATEMENTS</u></b>	
Exhibit "A"      Combined Balance Sheet - All Fund Types and Account Groups	2
Exhibit "B"      Combined Statement of Revenues, Expenditures and Change in Fund Balance - General Fund	3
Notes to General Purpose Financial Statements	4 - 8
<b><u>SUPPLEMENTAL INFORMATION</u></b>	
Independent Auditor's Report on Compliance	10
Independent Auditor's Report on Internal Control	11-13

**J. F. LORIO, JR.**  
CERTIFIED PUBLIC ACCOUNTANT  
A Professional Corporation  
11110 BIRCHMOUNT RD - SUITE 2  
P.O. BOX 514  
HOULTELL, LOUISIANA 70001

PHONE 781-2321

FAX (504) 781-2320

POSTAL SERVICE 340-0428

**INDEPENDENT AUDITORS' REPORT**

Bayou Grande Volunteer Fire Department, Inc.  
303 Lake Drive  
Bayou La Bouché, Louisiana 70018

We have audited the accompanying general purpose financial statements of the Bayou Grande Volunteer Fire Department, Inc. as of and for the year ended December 31, 1997, as listed on the foregoing table of contents. These general purpose financial statements are the responsibility of the Bayou Grande Volunteer Fire Department'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. 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 Bayou Grande Volunteer Fire Department, Inc. at December 31, 1997, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.



June 10, 1998

**NATCO GARHIE VOLUNTEER FIRE DEPARTMENT, INC.**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 1991**

	<b>ASSETS</b>			
	<u>Governmental</u>	<u>Account</u>	<u>Totals</u>	
	<u>Fund Type</u>	<u>Fund</u>	<u>(Governmental, Other)</u>	
	<u>General</u>	<u>General</u>	<u>1991</u>	<u>1990</u>
	<u>Fund</u>	<u>Fund Assets</u>		
Cash	\$ 231,779	\$ -	\$ 231,779	\$ 144,108
Due from Funds (Note 3)	3,295	-	3,295	3,799
Fire Protection vehicles	-	287,238	287,238	352,318
Equipment	-	238,277	238,277	154,617
Buildings	-	244,261	244,261	210,890
Land	-	24,800	24,800	24,008
<b>Total assets</b>	<b><u>\$ 115,115</u></b>	<b><u>\$ 885,706</u></b>	<b><u>\$ 1,120,141</u></b>	<b><u>\$ 665,631</u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
<b>Liabilities</b>				
Accounts payable	\$ 220	\$ -	\$ 220	\$ 614
<b>Total liabilities</b>	<b><u>220</u></b>	<b><u>-</u></b>	<b><u>220</u></b>	<b><u>614</u></b>
<b>Fund Equity</b>				
Investment in Fund Assets	-	885,706	885,706	887,790
Fund balance - unrestricted, unassigned	214,545	-	214,545	147,686
<b>Total fund equity</b>	<b><u>214,545</u></b>	<b><u>885,706</u></b>	<b><u>1,120,141</u></b>	<b><u>1,031,250</u></b>
<b>Total liabilities and fund equity</b>	<b><u>\$ 223,115</u></b>	<b><u>\$ 885,706</u></b>	<b><u>\$ 1,120,141</u></b>	<b><u>\$ 1,031,614</u></b>

SEE ACCOMPANYING NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

**RAYON GAUCHE FIRE DEPARTMENT, INC.**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>2022</u>	<u>Total (Memorandum Only) 2020</u>
<b>REVENUES:</b>		
Sales tax - 1% cent	\$ 54,841	\$ 51,165
Operations and capital improvements millage	110,289	79,863
Fire insurance rebate and other revenues	<u>8,324</u>	<u>7,647</u>
Total revenues	<u>173,454</u>	<u>128,675</u>
<b>EXPENDITURES:</b>		
Equipment		
Maintenance	11,140	43,006
Fuel	656	1,085
Insurance	3,727	3,882
Expendable equipment	7,791	14,239
Buildings:		
Maintenance	3,381	3,606
Insurance	4,600	4,686
Personnel:		
Insurance	1,358	1,679
Training	8,389	1,313
Miscellaneous:		
Accounting and auditing	2,080	2,008
Fire fighting supplies	2,145	743
Meetings and other expenses	6,887	4,098
Office Supplies	3,071	-
Utilities and telephone	5,536	5,584
Capital outlay:		
Equipment purchases	7,799	632
Building improvements	<u>14,368</u>	<u>77,820</u>
Total expenditures	<u>86,358</u>	<u>163,721</u>
EXCESS REVENUES OVER EXPENDITURES	87,096	(34,046)
BEGINNING FUND BALANCE, JANUARY 1	<u>147,650</u>	<u>131,536</u>
ENDING FUND BALANCE, DECEMBER 31	<u>\$ 234,746</u>	<u>\$ 146,490</u>

SEE ACCOMPANYING NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Bayou Gauche Volunteer Fire Department, Inc. (Fire Department) receives funding from local and state government sources and must comply with the concordant 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. A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net spendable available financial resources.

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 15th day of the month following incurrence of the taxes by businesses.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Revenues (Continued)**

A ten year ad valorem tax issue was dedicated to the operations of the Fire Department beginning in 1980. 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, 1987, deposited funds were covered by federal deposit insurance and pledged securities.

**Budgets and Budgetary Accounting**

The Fire Department was not required to prepare a budget for the year ended December 31, 1987.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 or estimated historical cost if historical cost is not available. The Department has established a capitalization policy of \$400 for equipment having a useful life over one year.

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 "nonmandatory 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. Neither is such 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.



**HAYOU GAUCHE VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 1997**

**(4) SALES TAX REVENUE**

Effective March 1, 1990, sales taxes 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 Fireman's Association, Inc. Effective September 1, 1994, the sales tax is distributed on the following basis:

	<u>Monthly Dues</u>	<u>Percent of Remaining Funds</u>
Hayou Gauche Volunteer Fire Dept., Inc.	\$2,900	3.21%
Des Allemands Volunteer Fire Dept., Inc.	\$2,900	4.83%
East Side of St. Charles Volunteer Fire Dept., Inc.	\$2,900	23.57%
Hahnville Volunteer Fire Dept., Inc.	\$2,900	5.90%
Killona Volunteer Fire Dept., Inc.	\$2,900	1.94%
Luling Volunteer Fire Dept., Inc.	\$2,900	28.89%
Nasco Area Volunteer Fire Dept., Inc.	\$2,900	18.51%
Paradis Volunteer Fire Dept., Inc.	\$2,900	4.36%
St. Rose Volunteer Fire Dept., Inc.	\$2,900	17.20%

**(5) REVENUE RECEIVABLE**

Revenue receivable at December 31, 1997 consists of the Fire Department's share of the 1998 year sales tax for the month of November 1997, collected on or before December 31, 1997, by the St. Charles Parish School Board and remitted by St. Charles Parish in January 1998.

An allowance for uncollectible receivables is not recorded by the Fire Department because it considers all receivables collectible at December 31, 1997.

**BAYOU GAUCHE VOLUNTEER FIRE DEPARTMENT, INC.**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 1997**

**(4) CHANGES IN GENERAL FIXED ASSETS**

	<u>Balance</u> <u>12/31/96</u>	<u>Purchases</u> <u>1997</u>	<u>Retirements</u> <u>1997</u>	<u>Balance</u> <u>12/31/97</u>
Fire protection vehicles	\$ 353,227	\$ -	\$ -	\$353,227
Equipment	254,637	7,799	4,139	258,297
Buildings	231,895	14,365	-	246,260
Land	-	-	-	24,000
	<u>\$ 839,759</u>	<u>\$ 22,093</u>	<u>\$ 4,139</u>	<u>\$ 887,713</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.

**SUPPLEMENTARY INFORMATION**

**J. F. LORIO, JR.**  
CERTIFIED PUBLIC ACCOUNTANT  
A Professional Corporation  
1000 HIGHWAY 90 - SUITE 2  
P.O. BOX 100  
BOZATTE, LOUISIANA 70009

0042-780-0000

FAX 0042-780-0000

PRINTING RECEIVED 046-0400

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

Bayou Glauche Volunteer Fire Department, Inc.  
100 Lake Drive  
Don Armande, Louisiana 70009

We have audited the general purpose financial statements of Bayou Glauche Volunteer Fire Department, Inc. for the year ended December 31, 1997, and have issued our report thereon dated June 10, 1998.

We conducted our audit in accordance with generally accepted auditing standards, the 1997-1998 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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Bayou Glauche Volunteer Fire Department, Inc. is the responsibility of Bayou Glauche 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 Bayou Glauche 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 10, 1998

**J. E. LORIO, JR.**

CERTIFIED PUBLIC ACCOUNTANT

A Professional Corporation

SIXTH FLOORWAY 100 - SUITE 111

P.O. BOX 604

BOULDER, LOUISIANA 70001

0541 PHS-0001

FAR 004/000-1000

COPYRIGHT 1990-1992

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

Bayou Grande Volunteer Fire Department, Inc.  
603 Lake Drive  
Des Armands, Louisiana 70009

We have audited the general purpose financial statements of Bayou Grande Volunteer Fire Department, Inc. for the year ended December 31, 1997, and have issued our report thereon dated June 16, 1998.

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 Bayou Grande 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 authorizations 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.

In planning and performing our audit of the general purpose financial statements of Hajou Gaoche Volunteer Fire Department, Inc., for the year ended December 31, 1997, 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 specific 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.

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 10, 1998