

17
ORIGINAL
FILE COPY

DO NOT SIGN OUT

When necessary
return this
copy and FILED
SLIP to 1503

6

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.
Tyras, Louisiana

Financial Statements
With Independent Auditor's Reports
As of December 31, 1998, and the Year Then Ended
(With Comparative Totals for December 31, 1997)

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or reviewed, orally 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 7-14-99 **Forfile W. Wray**
Legislative Auditor, Louisiana

ALPINE CITY MOUNTAIN FIRE DEPARTMENT, INC.
Tioga, Louisiana

Financial Statements
With Independent Auditor's Reports
As of December 31, 1998, and for the Year Then Ended
(With Comparative Totals for December 31, 1997)

C O N T E N T S

	Statement	Page No.
Independent Auditor's Report		1
Financial Statements - December 31, 1998 (With Comparative Totals for December 31, 1997):		
Balance Sheet	A	2
Statement of Support, Revenue, Expenses, and Changes in Fund Balances	B	3
Statement of Cash Flows (Cash and Equivalents)	C	4
Notes to the Financial Statements		5
Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		6

HEDDIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
338/442-7560
Fax: 318/442-9495

Independent Auditor's Report

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.
Tineo, Louisiana

I have audited the accompanying balance sheets of the Alpine City Volunteer Fire Department, Inc. as of December 31, 1998 and 1997, and the related statements of support, revenue, expenses, and changes in fund balances, and changes in cash flow for the years then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Alpine City Volunteer Fire Department, Inc. as of December 31, 1998 and 1997, and the results of its operations and changes in its statement of cash flows for the years then ended in conformity with generally accepted accounting principles.

Governmental Accounting Standards Board Technical Bulletin 98-1, Disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the Year 2000 Issue. The Department has included such disclosures in note 4. Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter.

ALPINE CITY VOLUNTEER FIRE DEPARTMENT
Tinep, Louisiana
Audit Report
(Continued)

In accordance with Government Auditing Standards, I have also issued a report dated March 17, 1988, on my consideration of the internal control over financial reporting and my tests of compliance with certain provisions of laws, regulations, contracts, and grants.

Berby M. May

Berby M. May
Alexandria, Louisiana
March 17, 1988

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.
 Trapa, Louisiana
 OPERATING FUND

Balance Sheet, December 31, 1998
 (with comparative totals for December 31, 1997)

	1998	1997
	*****	*****
ASSETS		

Cash and cash equivalents	\$50,000	\$50,000
Fixed assets (net)	17,000	18,715
	-----	-----
TOTAL ASSETS	\$73,000	\$73,000
	-----	-----
LIABILITIES AND FUND EQUITY		

Liabilities	NONE	NONE
	-----	-----
Fund Equity - Fund Balance - unrestricted	\$73,000	\$73,000
	-----	-----
TOTAL LIABILITIES AND FUND EQUITY	\$73,000	\$73,000
	-----	-----

The accompanying notes are an integral part of this statement.

ALPINE CITY VOLUNTARY FIRE DEPARTMENT, INC.
 Fiscal Year: 1988
 OPERATING FUND

Statement of Support, Revenue, Expense, and Changes in Fund Balances
 for the Year Ended December 31, 1988
 (with comparative totals for the year ended December 31, 1987)

	1988	1987
	*****	*****
SUPPORT AND REVENUE		
.....		
Revenue:		
State grant - 2% fire insurance rebate	136,150	116,088
Use of money and property - interest	2,780	2,000
Miscellaneous	58	143
	-----	-----
Total support and revenue	139,088	118,231
	-----	-----
EXPENSES		
.....		
Program services - Fire protection:		
Operating services	11,872	9,453
Materials and supplies	2,180	1,500
Travel and other charges	167	100
Depreciation	4,827	4,287
	-----	-----
Total expenses	19,046	15,340
	-----	-----
(EXCESS (Deficiency) OF SUPPORT AND		
REVENUE OVER (EXPENSE)	119,992	102,891
.....		
FUND BALANCES AT BEGINNING OF YEAR	74,789	76,416
.....		
FUND BALANCES AT END OF YEAR	173,949	173,289
.....		

The accompanying notes are an integral part of this statement.

RUFING CITY VOLUNTEER FIRE DEPARTMENT, INC.
 Plans, Institute
 Beginning 1997

Statement of Cash Flows (Cash and Equivalents)
 for the Year Ended December 31, 1998
 (With comparative data for the year ended December 31, 1997)

	1998	1997
Cash flows from operating activities:		
Cash received from premiums	\$26,000	\$14,000
Other operating receipts	50	647
Cash paid to suppliers of goods and services	(13,425)	(11,000)
Net cash flows provided by operating activities	<u>12,625</u>	<u>3,657</u>
Cash flows from investing activities - interest received	2,200	2,400
Cash flows for capital acquisition - purchase of equipment	<u>None</u>	<u>None</u>
Net increase (decrease) in cash and equivalents	14,825	6,057
Cash and equivalents, beginning of year	<u>64,514</u>	<u>58,457</u>
Cash and equivalents, end of year	<u>\$79,339</u>	<u>\$64,514</u>
Reconciliation of net income to net cash provided by operating activities:		
Net income/(loss)	(51,631)	\$827
Adjustments to reconcile net income/(loss) to net cash provided by operating activities:		
Depreciation	<u>4,827</u>	<u>4,827</u>
Net cash provided by operating activities	<u>\$1,186</u>	<u>\$5,654</u>

The accompanying notes are an integral part of this statement.

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.
Nogea, Louisiana

Notes to the Financial Statements
As of December 31, 1995, and for the Year then Ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Alpine City Volunteer Fire Department, Inc. (Department) is a Louisiana nonprofit organization incorporated on July 31, 1970, whose purpose is to provide fire protection and emergency services to residents within its service area. The Department serves approximately 2,000 homeowners and over 300 commercial and industrial companies in its coverage area. The Department is funded through state grants; i.e., a portion of a two (2) per cent fire insurance premium rebate from the State of Louisiana, passed through the Rapides Parish Police Jury (parish governing authority) and small donations from residents interested in maintaining fire protection services. The Department does not participate in any organized, routine fund raising activities.

In 1988, the Rapides Parish Police Jury (the parish governing authority) created Fire Protection District No. 3 of Rapides Parish (District) funded by an ad valorem property tax. To supplement, not supplant, the current fire and emergency services being provided by the Department. The boundaries of the District are coterminous with that of the Department. These two operations, working in conjunction with each other, have reduced the fire insurance rating for residents in their coverage area.

Prior to 1994, a large manufacturing concern (entity) located in the coverage area of the Department, as a means of supplementing their existing "in-house" fire protection services, adopted a corporate resolution to provide for an annual contribution to the Department. This entity, located in a special industrial area of Rapides Parish, was considered an "exempt taxpayer" for the purposes of ad valorem property taxes levied by Fire Protection District No. 3 of Rapides Parish. During 1994, the entity was reclassified as a "taxpayer" by the Rapides Parish Assessor; accordingly, the entity was assessed ad valorem property tax as levied by Fire District No. 3 of Rapides Parish. Since the entity is no longer exempt from paying ad valorem property tax, it has discontinued its annual corporate contribution to Alpine City Volunteer Fire Department, Inc.

4. FUND ACCOUNTING

To ensure observance of limitations and restrictions placed on the use of resources available to the Department, the accounts of the Department are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose; accordingly, all financial transactions have been recorded and reported by fund. The assets, liabilities and fund balances of the Department are reported in a self-balancing Operating fund. The Operating fund includes all financial resources that are available for support of the Department's operations.

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC
Type, Location
Notes to the Financial Statements (Continued)

3. SUPPORT AND REVENUES

Support and revenues are recorded when received. The Department does not recognize (record) the value of time or materials donated by volunteers. All support and revenues are considered to be available for unrestricted use unless specifically restricted by the contributor. At December 31, 1998, the Board retains unrestricted control to use all funds in achieving its purpose.

4. FIXED ASSETS

Since its creation in 1970, the Department has acquired various assets, mostly through donation of time and materials by residents in the Department's coverage area. Due to the nature of these items and that much of the time and materials involved in creating these items has been donated, an estimated fair market value of these assets cannot be reasonably determined; accordingly, the initial acquisition of these assets is not reflected in the accompanying financial statements.

With the creation of Fire Protection District No. 3 of Rapides Parish by the Rapides Police Jury, the Board of Directors of the Department adopted a resolution and entered into an agreement with Fire Protection District No. 3, through the Rapides Parish Police Jury, that transferred ownership of certain land, buildings, and equipment that were previously owned by the Department to the District; accordingly, the disposition of these assets is not reflected in these financial statements.

The Department has adopted the practice of capitalizing all expenditures in excess of \$500, where the estimated useful life of the asset is greater than one year. The Department will record these assets at historical cost, as of the date of acquisition. Ownership of these assets, based on resolutions to be adopted by the board of directors of the Department, may be transferred to Fire Protection District No. 3 of Rapides Parish at the directors determine necessary for the efficient operation of both the Department and the District. The acquisition and subsequent transfer of these assets will be recorded in the financial statements.

A summary of fixed assets and related depreciation at December 31, 1998, follows:

	Cost	Accumulated Depreciation	Net
Equipment	<u>\$39,184</u>	<u>\$48,405</u>	<u>\$13,959</u>

5. FEDERAL INCOME TAXES

The Alpine City Volunteer Fire Department, Inc., is exempt from federal income taxes under the provisions of Section 501 (c)(14) of the Internal Revenue Code.

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC
Notes to the Financial Statements (Continued)

6. YEAR 2000 ISSUES

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the department's operations as early as fiscal year 1999.

The department has completed an inventory of the mission-critical computer systems that may be affected by the Year 2000 issue and 1999 are necessary in rebuilding operations and is in the process of testing and validating the electronic equipment that is considered mission-critical.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Management cannot assure that the department's operations are, or will be, Year 2000 ready, that the remediation efforts will be successful in whole or in part, or that parties with whom business is conducted will be Year 2000 ready.

**Independent Auditor's Reports Required
by Government Auditing Standards**

The following independent auditor's reports on internal control and compliance are presented in compliance with the requirements of Government Auditing Standards, issued by the Comptroller General of the United States, and the Louisiana Governmental Audit Guide, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

55 Terra Avenue
Alexandria, LA 71303
504/842-7568
Fax: 504/842-9006

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

RIFINE CITY VOLUNTEER FIRE DEPARTMENT, INC.
Briar, Louisiana

I have audited the financial statements of the Rifine City Volunteer Fire Department, Inc. as of and for the year ended December 31, 1998, and have issued my report thereon dated March 27, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material to the 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.
Elys, Louisiana
Compliance Report
(Continued)

Prior Audit Findings

The audit for the year ended December 31, 1987, disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards or matters involving the internal control over financial reporting and its operation that were considered to be material weaknesses.

This report is intended for the information of the Alpine City Volunteer Fire Department, Inc. However, this report is a matter of public record and its distribution is not limited.

Herbie W. May

Herbie W. May
Alexandria, Louisiana
March 17, 1988