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INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDING
DECEMBER 31, 1982

NINE MILE POINT VOLUNTEER FIRE CO.
1024 OAK AVENUE
NINE MILE POINT, LA. 70094

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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 7/17/83

JIM MARTIN

LEGISLATIVE PUBLIC ACCOUNTANT
511 LAFAYETTE ST., SUITE A
MONROE, LA 70002-6142

(504) 347-8527

NINE MILE POINT VOLUNTEER FIRE CO.

Financial Statements

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JIM MARTIN

CHERRY PUBLIC ACCOUNTANT

6411 LAFAYETTE BOULEVARD
MONROE, LA 70134-1402
TELEPHONE (225) 440-0007
FAX (225) 440-0007

INDEPENDENT AUDITOR'S REPORT

To the Directors:
Nine Mile Point Volunteer Fire Co.

I have audited the accompanying general purpose financial statements of **Nine Mile Point Volunteer Fire Co.**, as of and for the year ended December 31, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the **Nine Mile Point Volunteer Fire Co.** My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of **Nine Mile Point Volunteer Fire Co.** as of December 31, 1997, and the results of its operations for the year then ended. My audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole.


Jim Martin, CPA
Monroe, Louisiana

June 30, 1998



CPA, Never Underestimate The Value

NINE MILE POINT VOLUNTEER FIRE CO.
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1997

	<u>GOVERNMENTAL</u>		<u>ACCOUNT</u>		<u>TOTAL</u>	
	<u>(FUND TYPE)</u>		<u>GROUP</u>		<u>(MEMO</u>	
	<u>Service</u>	<u>Fund</u>	<u>General</u>	<u>Fund Assets</u>	<u>CHG. Y.)</u>	
ASSETS						
Cash - Operating Account	\$	61,598	\$		\$	61,598
Cash - Payroll Account		187				187
Cash - Private Account		9,840				9,840
Cash - Petty Fund		730				730
Cash - Ice Account		13				13
Cash - CO First National Bank		69,863				69,863
Cash - CO Hibernia National Bank		29,800				29,800
Cash - CO Windey National Bank		18,834				18,834
A/R - Employees		14				14
Receivable Deposits (Note 4)		190				190
Vehicles			31,626			31,626
Fire Truck #756			21,457			21,457
Buildings - Station 78 (Note 4)			476,225			476,225
Buildings - Station 79			193,004			193,004
Buildings - New Station			348			348
Equipment - Station 78			771,208			771,208
Equipment - Station 79			29,278			29,278
Real Estate			25,880			25,880
TOTAL ASSETS	\$	177,429	\$	918,944	\$	1,096,374
LIABILITIES						
FWS & FICA Payable (Note 11)	\$	(2,891)			\$	(2,891)
State With Payable		2,641				2,641
SWTA Payable		1,481				1,481
FLTA Payable		860				860
TOTAL LIABILITIES	\$	2,081	\$	0	\$	2,081
Investment in Fixed Assets			\$	918,944	\$	918,944
General Operating Fund	\$	176,348			\$	176,348
TOTAL LIABILITIES & FUND-BALANCES	\$	177,429	\$	918,944	\$	1,096,374

The accompanying notes are an integral part of this statement.

NINE MILE POINT VOLUNTEER FIRE CO.
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1997

REVENUES

Jefferson Parish - Contract	(Note 7)	\$	348,700	92.3
Jefferson Parish - Monthly Subsidy			18,800	4.8
Jefferson Parish - Quarterly Subsidy			8,800	2.1
Interest	(Note 2)		1,810	0.5
Other Income	(Note 8)		1,892	0.5
TOTAL REVENUES		\$	377,702	100.0

EXPENDITURES

Auto Travel & Entertainment			4	0.0
Bank Charges			238	0.1
Clearing Account		(1,883)	-0.4	
Community Relations			293	0.1
Conventions/Seminars			1,727	0.5
Dues & Subscriptions			802	0.2
Food Service			1,244	0.3
First Aid Training & Support			954	0.3
Fire Fighting Gear			2847	0.8
Fuel & Oil			1,808	0.5
Incentive Pay			4,701	1.2
Insurance - Casualty			24,908	6.4
Insurance - Health Plan			21,173	5.6
Institutional Supplies			1,462	0.4
Janitorial			348	0.1
Legal & Professional			13,218	3.5
Maintenance - Station			2,194	0.6
Maintenance - Vehicles			8,648	2.3
Medical			491	0.1
Months	(Note 9)		493	0.1
Office Supplies			2,622	0.7
Office Supplies			2,828	0.8
Payroll Taxes			10,888	2.9
Repairs - Equipment			8,918	2.4
Repairs - Station			2,783	0.8
Repairs - Vehicles			7,112	1.9
Security			388	0.1

The accompanying notes are an integral part of this statement.

**NINE MILE POINT VOLUNTEER FIRE CO.
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE**

FOR THE YEAR ENDED DECEMBER 31, 1997

Taxes & Licenses	248	0.1
Telephone	548	0.1
Training & Educational	339	0.1
Uniforms	1,728	0.3
Utilities	14,269	3.8
Wages	204,327	54.1
TOTAL OPERATING EXPENDITURES	221,519	57.7
EXCESS REVENUE OVER/UNDER EXPENDITURES	27,838	7.3
INCREASE IN FIXED ASSETS	1,816	
FUND BALANCE, BEGINNING OF YEAR	\$ 149,845	
FUND BALANCE, END OF YEAR	\$ 178,309	

The accompanying notes are an integral part of this statement.

Nine Mile Point Volunteer Fire Co.
Notes to Financial Statements
December 31, 1997

I. Summary of Significant Accounting Policies:

a. Statement of Presentation

In April 1984, the Financial Accounting Foundation established the Governmental Accounting Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

Nine Mile Point Volunteer Fire Co. maintains two stations. One is located at 1004 Oak Avenue (Station 78) and the other at 800 Patton Lane (Station 79). Additionally, plans are in the works to provide for a third station on the corner of Lapalo Blvd. and Nicole Blvd. Accounting records are maintained at the Oak Avenue address.

b. Basis of Accounting

Nine Mile Point Volunteer Fire Co. maintains its records on a modified cash basis of accounting. Revenues are recognized when received and expenses with the exception of payroll tax liabilities are recorded when checks are written. Payroll tax liabilities are recorded when payroll checks are issued. Nine Mile Point Volunteer Fire Co. further uses a spending focus, meaning that they primarily account for the receipt and disbursement of resources. Based on the spending focus and the basis of accounting, GASB Statement No. 9 was not used and, therefore, alleviates the need for a cash flow statement being presented.

c. Budgets and Budgetary Accounting

The local Government Budget Act (LGA-RS 38:1301-1316) is primary guidance (and legal requirement) for local governmental units.

d. The board uses a fund (General Fund) and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group 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 expendable available financial resources.

The General Fund of the board is classified as a governmental fund. The General Fund accounts for the board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The General Fund is the general operating fund of the board and accounts for all financial resources, except those required to be accounted for in other funds.

2. Cash:

Cash consists of the amounts in non-interest-bearing demand deposits and interest-bearing accounts. Two certificates of deposit are held in an interest-bearing account and the interest is received monthly. Two other certificates of deposit are non-interest-bearing.

3. Income Tax Status:

Nine Mile Point Volunteer Fire Co. is a publicly supported not-for-profit organization and is generally exempt from Federal income tax under Section 501(c)(4) of the Internal Revenue Code. Contributions are tax-deductible under Section 507(c)(2) of the Code.

4. Fixed Assets and General Long-Term Obligations:

Fixed assets are accounted for in the general fixed assets account group, rather than in the General Fund. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost where available. All other assets were reviewed at December 31, 1997 and are being carried at their fair market value. An inventory listing was prepared which includes all land, buildings, and equipment. No depreciation or amortization is recorded. Additionally, there are three fire trucks which are owned by the parish that are not carried on the books. They are valued as follows:

(2)	1991 Chevrolet	\$ 105,579.00 (each)
(1)	1996 Ford Rescue	\$ 37,983.00

A summary of property and equipment owned by the Nine Mile Point Volunteer Fire Co. is presented below:

	Station 70	Station 72
Building		
Fire Station	\$ 468,403	\$ 108,300
Dwellings	48,377	48,794
Utility Sheds	17,800	8,000
New Station (Gate)	366	

Property & Equipment

Station Contents	\$ 132,344	\$ 4,122
Equipment	38,594	25,183
Vehicles	31,824	32,437

Real Estate

Lot on Oak Avenue	\$ 28,000
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There were no long-term obligations at December 31, 1997.

5. Deposits:

The \$150 represents utility deposits paid to maintain residences at Oak Avenue and Tiffany Court.

6. Pension Plan

There was no pension plan in effect during the 1997 calendar year.

7. Contracts

Miss Miss Point Volunteer Fire Company is one of the seven service companies contracted by Jefferson Parish, Louisiana to provide the Seventh District of Jefferson Parish with fire protection. The original contract was dated September 3, 1980 and covered a ten year period. The contract was extended to coincide with the millage election of 1993, which expired in December of 1993.

The new contract became effective January 1994 and will run concurrent with the millage for 10 years. Funds provided by Jefferson Parish for the 1997 year are as follows:

	Monthly	Quarterly	Total
Ad Valorem			
Jan-Dec 1997	20,000		240,000
Parish Sales Tax	1,500		18,000
Parish Contribution		2,000	8,000
Fire Insurance Rebate	<u>7,500</u>	<u> </u>	<u>7,500</u>
	<u>29,000</u>	<u>2,000</u>	<u>301,500</u>

8. Other Income:

Other income is comprised of membership dues, rental income, insurance proceeds, and payroll tax refunds.

9. Morale:

The morale account is composed of expenditures used for officer installations, awards, and other items to enhance the morale of the membership.

10. Audits:

Audits of quasi-governmental entities are under the provisions of USA-IRS 24 513 which states that any local auditee that receives \$500,000 or more in revenues and other sources in any one fiscal year, but less than \$3,000,000 shall be audited once every two years, said audit to include the transactions of both years. Such audits shall be completed within six months of the close of the entity's fiscal year. Nine Mile Point Volunteer Fire Company is in compliance with this audit requirement for the 1997 calendar year.

11. IRS Levy

The Internal Revenue Service levied \$2,500.75 from Nine Mile Point Volunteer Fire Co.'s Whitney National Bank CD in June, 1997. It is our understanding, based on the information provided to us, that Nine Mile Point Volunteer Fire Co. does not owe these funds and are trying to get them refunded.



JIM MARTIN

CPA, MEMBER OF THE AICPA

101 LINDSEY BLVD, SUITE 4
 MARBLE, LA 70077-0111
 TELEPHONE: 504-332-2001
 FAX: 504-332-2002

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

To the Directors:
 Nine Mile Point Volunteer Fire Co.

I have audited the general purpose financial statements of Nine Mile Point Volunteer Fire Co. as of and for the year ended December 31, 1997, and have issued my report thereon dated June 30, 1998. 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 Nine Mile Point Volunteer Fire Co.'s general purpose 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 Nine Mile Point Volunteer Fire Co.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statement and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgement, could adversely affect Nine Mile Point Volunteer Fire Co.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying letter to management.



CPA, MEMBER OF THE AICPA

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 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. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions that are also considered to be material weaknesses. However, I believe none of the reportable conditions is a material weakness.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.


Jeff Martin, CPA

Monro, LA
June 30, 1998





MANAGEMENT LETTER

To the directors:
Nine Mile Point Volunteer Fire Co.

This letter is directed to the managing body of Nine Mile Point Volunteer Fire Company and is intended to identify certain immaterial weaknesses found while conducting this audit.

1. Payroll Tax Deposits

As indicated by notices received by the Station from the IRS, there appeared to be a problem with certain payroll tax deposits from prior periods. Based on my current year audit, there were no problems that came to my attention. I also was provided information by the Station's accountant which support their contention that the IRS had erred and steps were already in place to correct the problem.

2. Fixed Assets

Although there was an asset list provided, the list needs to be updated. Obsolete items need to be deleted and other items need to be more easily identified. Valuations should be brought up to date and classified as to ownership and the date acquired.

JIM MARTIN, CPA
Monroe, Louisiana

June 25, 1988

