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LAFITTE-SARATOGA-CROWN POINT
VOLUNTEER FIRE COMPANY

LAFITTE, LOUISIANA

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2003

Under provisions of state law, this report is a public document. Copies of this report have been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Parish Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-28-04

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LYZZE, BUTLER, ARCEBIAUX & BOWEN

CERTIFIED PUBLIC ACCOUNTANTS
267 PRAIRIE STREET
HAVERY, LOUISIANA, 70001
(504) 875-6661
FAX: (504) 247-0867

DOUGLAS L. LYZZE, CPA
(1982 - 1988)
DOUGLAS L. BUTLER, CPA
M. PAUL ARCEBIAUX, CPA
PATRICK J. BOWEN, CPA

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To Board of Directors of the
Lafitte-Barataria-Crown Point Volunteer Fire Company

We have audited the accompanying general purpose financial statements of Lafitte-Barataria-Crown Point Volunteer Fire Company, as of and for the year ended December 31, 2003, as listed in the table of contents. These financial statements are the responsibility of the Volunteer Fire Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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. 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 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 Lafitte-Barataria-Crown Point Volunteer Fire Company at December 31, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 18, 2004 on our consideration of Lafitte-Barataria-Crown Point Volunteer Fire Company's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is listed in the accompanying table of contents and is an integral part of our audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results our audit.

Lyzze, Butler, Arcebiaux & Bowen

Harvey, Louisiana
June 18, 2004

LAFITTE-BARATARIA-CROWN POINT VOLUNTEER FIRE COMPANY
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 2003

	Governmental	General	
	Fund Type	Fixed Assets	Total
	General	Account	(Governmental
		Group	and
			General)
			Total)
			Assets
			Liabilities
			and
			Equity
			Total
ASSETS AND OTHER DEBITS			
Cash in bank	\$201,600	\$ -	\$ 201,600
Fixed assets	-0-	1,501,300	1,501,300
Total assets and other debits	\$201,600	\$1,501,300	\$ 1,702,900
LIABILITIES, EQUITY AND OTHER CREDITS			
LIABILITIES			
Accounts payable	\$ 4,370	\$ -	\$ 4,370
Accrued wages	9,000	-	9,000
Due to Jefferson Parish	48,200	-	48,200
Notes payable	1,120	-	1,120
Total liabilities	\$72,890	-0-	\$72,890
Equity and other credits:			
Investment in general fixed assets	-	1,501,300	1,501,300
Fund balance	128,710	-	128,710
Total equity and other credits	128,710	1,501,300	1,630,010
Total liabilities, equity and other credits	\$201,600	\$1,501,300	\$ 1,702,900

The accompanying notes are an integral part of this statement.

LAFITTE-BARATARIA-CROWN POINT VOLUNTEER FIRE COMPANY
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Year ended December 31, 2003

Revenues:		
Intergovernmental:		
From Jefferson Parish:		
Contractual services	\$411,600	
State supplemental pay	10,190	
Grant - Federal Government	23,967	
Grant - State of Louisiana	<u>12,662</u>	\$467,419
Interest		1,715
Miscellaneous		<u>33,207</u>
Total revenues		\$937,841
Expenditures:		
Current operating:		
Payroll and related taxes, including state supplemental pay of \$10,190	328,515	
Accounting and office	7,828	
Fire prevention and training	19,312	
Fuel	5,478	
Insurance	87,267	
Miscellaneous	42,584	
Repairs and maintenance	18,330	
Utilities	23,608	
Capital outlay:		
Purchase of equipment	<u>16,113</u>	
Total expenditures		\$442,917
Excess of Revenues over Expenditures		\$494,924
Fund balance at beginning of year		<u>19,714</u>
Fund balance at end of year		\$118,235

The accompanying notes are an integral part of this statement.

LAFITTE-BARATARIA-CROWN POINT VOLUNTEER FIRE COMPANY

NOTES TO FINANCIAL STATEMENTS
December 31, 2003

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lafitte-Barataria-Crown Point Volunteer Fire Company (the Fire Company) was created in 1980 under the non-profit corporation provisions of Louisiana Revised Statutes 12:202. The Fire Company contracts with the Parish of Jefferson, State of Louisiana to provide fire protection and related services to a portion of the 4th Fire Protection District of the Parish of Jefferson.

Because the Fire Company receives the vast majority of its financial support from the Parish of Jefferson to provide a public service, it is considered a quasi-public entity for financial reporting purposes. Accordingly, the accompanying general purpose financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies applied in the preparation of the accompanying general purpose financial statements are described as follows:

- A. Financial Reporting Entity. The accompanying general purpose financial statements include all funds and account groups which are controlled by the Fire Company. Control is based on application of the criteria established by the GASB for determining the reporting entity. The basic criteria, but not the only, is the ability to exercise oversight responsibility. Oversight responsibility is derived from, among other things, the ability to significantly influence operations. Based on the foregoing criteria, there are no component units which have been combined with the Fire Company to form the reporting entity, nor are there any potential component units which should be combined with the Fire Company to form the reporting entity.
- B. Fund Accounting. The accounts of the Fire Company are organized on a fund and account group basis, each of which is considered a separate accounting entity, with a separate set of self-balancing accounts which comprise the assets, liabilities, fund equity, revenues and expenditures. The Fire Company has only one fund, the General Fund, which is used to account for all of its financial resources.

LAFITTE-BARATARIA-CROWN POINT VOLUNTEER FIRE COMPANY

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2003

- C. Basis of Accounting. The Fire Company's accounting records for its General Fund are maintained on the cash basis of accounting. For financial reporting in conformity with generally accepted accounting principles, the accounting records are converted to the modified accrual basis under which revenues and expenditures are recognized as follows.

Revenues. The Fire Company has an agreement with the Parish of Jefferson under which the Fire Company is to provide fire protection and related services in a specifically designated area of Fire Protection District No. 4. The agreement provides that the Fire Company is to receive from the Parish a sum of money in monthly installments which will represent the net proceeds of the property tax levied annually by Fire Protection District No. 4. The Fire Company also receives from the Parish the 24 fire insurance premium tax which the Parish receives from the State of Louisiana for Fire Protection District No. 4. The proceeds of the property tax (\$402,000) and the 24 fire insurance premium tax (80,800) are reported as intergovernmental revenue from contractual services in the accompanying statement of revenues and expenditures. Intergovernmental revenues are reported as revenues of the period for which received. Interest revenue is reported in the period in which earned. Miscellaneous revenues are reported in the period in which received.

Expenditures. Expenditures are recognized when the related liability is incurred.

- D. Budget. The Fire Company is not legally required to adopt a budget. For 2003 a budget was prepared for internal use but not in a format compatible to the financial statements; therefore comparison of actual results with a budget is not presented in the accompanying financial statements.
- E. Fixed Assets. Fixed assets are recorded as expenditures (capital outlay) in the General Fund when purchased and are accounted for in the General Fixed Assets Account Group. Purchased fixed assets are stated at historical cost. Donated fixed assets are stated at their estimated fair market value on the date received. General fixed assets are not depreciated.

LAFITTE-BARATARIA-CROWN POINT VOLUNTEER FIRE COMPANY

NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2003

- F. Total Column on Combined Balance Sheet. The total column on the combined balance sheet is captioned "memorandum only" to indicate that this information is presented only to facilitate financial analysis. Data in the total column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.
- G. On-Behalf Payments. Firemen supplemental pay which is paid directly to employees of the Fire Company by the State of Louisiana, Department of Public Safety, are recognized as intergovernmental revenue and salaries expenditure in the year in which paid.
- H. Compensated Absences. Accumulated annual (vacation) leave is reported in the General Fund because it is expected to be liquidated with expendable available financial resources. An expenditure or liability has not been recorded for accumulated sick leave because it is nonvested.

3. CASH

At December 31, 2003, the carrying amount of the Fire Company's bank deposits was \$205,832 and the bank balance was \$208,633 all of which is covered by Federal depository insurance.

3. FIXED ASSETS

The following is a summary of changes in the general fixed assets account group during the year ended December 31, 2003.

	Balance January 1,	Add- itions	Deletion	Balance December 31
Leasehold improvement -				
Station 42	\$ 220,000	\$ -	\$ -	\$ 220,000
Land and buildings	281,000	-	-	281,000
Auto, trucks and equipment	681,432	18,128	-	699,560
New fire station	211,432	-	-	211,432
	<u>\$1,393,862</u>	<u>\$18,128</u>	<u>\$ -</u>	<u>\$1,411,990</u>

4. NOTES PAYABLE

Notes payable represents a loan payable to Regions Bank and is collateralized by a fire truck. The interest on the loan is 7.18% per annum and payment is \$231.83 a month. The loan matures on January 1, 2006.

LAFITTE-MARATONIA-CROWN POINT VOLUNTEER FIRE COMPANY

NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2003

5. ECONOMIC DEPENDENCY

Substantially all of the Fire Company's public support is derived from funds provided by Jefferson Parish. On October 9, 1996, the Organization contracted with the Parish to provide fire-fighting and rescue services for a period of ten years.

6. LEASES

The Fire Company leases a portion of ground from Jefferson Parish for an annual rental of \$1. The Fire Company has constructed a fire station (#43) on that ground at a cost of \$110,000. This amount is included in the General Fixed Assets Group.

7. LOAN TO JEFFERSON PARISH

On February 27, 2002 the Fire Company purchased a fire truck for \$50,000 with money advanced by Jefferson Parish. Repayments began in November of 2003 at the rate of \$500 per month. As of December 31, 2003 the unpaid liability is \$49,000.

8. CONTRIBUTED SERVICES

A significant contribution of time is made by unpaid volunteers to accomplish the purpose for which the Fire Company was established. The value of this contributed time is not included in the accompanying financial statements because it is not acceptable to objective measurement or evaluation.

LEE, BUTLER, ARCELAUX & BOWEN

**CERTIFIED PUBLIC ACCOUNTANTS
1001 BAYVIEW STREET
SUITE 1000
LAFFITTE, LOUISIANA 70003
(504) 835-0440
FAX (504) 835-0207**

**DOUGLAS L. LEE, CPA
(1984 - 1988)
JAMES G. BUTLER, CPA
M. PAUL ARCELAUX, CPA
FRANCE J. BOWEN, CPA**

**MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS**

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

**Board of Directors of the
Lafitte-Barataria-Crown Point Volunteer Fire Company**

We have audited the general purpose financial statements of Lafitte-Barataria-Crown Point Volunteer Fire Company as of and for the year ended December 31, 2003, and have issued our report thereon dated June 16, 2004. We conducted our 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 Lafitte-Barataria-Crown Point Volunteer Fire Company's general purpose financial statements are free of material misstatement, we 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 these provisions was not an objective of our audit and, 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lafitte-Barataria-Crown Point Volunteer Fire Company's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting.

Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect Lafitte-Barataria-Crown Point Volunteer Fire Company's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statement. The results of our tests disclosed no instances of reportable conditions that are required to be reported under Government Auditing Standards.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

This report is intended solely for the information of the Board of the Lafitte-Barataria-Crown Point Volunteer Fire Company and the Louisiana Legislative Auditor, and is not intended to be, and should not be used by anyone other than specified parties.

Harvey, Louisiana

Harvey, Louisiana

June 16, 2004