

LULING VOLUNTEER FIRE DEPARTMENT, INC.
GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The reports are available for public inspection at the State Printing Office of the Legislative Auditor and, where appropriate, at the office of the person/each of them.

Release Date 1-28-04

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INDEPENDENT AUDITORS' REPORT

Luling Volunteer Fire Department, Inc.
67 St. Anthony Street
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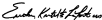
We have audited the accompanying general purpose financial statements of the Luling Volunteer Fire Department, Inc. as of and for the year ended December 31, 2005, as listed in the table of contents. These general purpose financial statements are the responsibility of the Luling Volunteer Fire Department, 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 auditing standards generally accepted in the United States of America, the Louisiana Governmental Audit Code 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 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 Luling Volunteer Fire Department, Inc. as of December 31, 2005, 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 23, 2004 on our consideration of the Luling Volunteer Fire Department, Inc.'s internal controls over financial reporting and on our tests of its compliance with certain provisions of laws and regulations. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

June 23, 2004



Certified Public Accountants

LILING VOLUNTEER FIRE DEPARTMENT, INC.
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2011

ASSETS AND PROVISIONS

	Governmental	Account	Totals	
	Fund Type	Group	(Millions Only)	
	General	General	2011	2010
	Fund	Fund Assets		
Cash	\$ 201,798	-	\$ 201,798	\$ 441,018
Due from Parish (New 5)	10,268	-	10,268	11,402
Prepaid expenses	39,228	-	39,228	31,121
Fire protection vehicles	-	1,621,790	1,621,790	1,356,002
Equipment	-	906,115	906,115	791,767
Buildings	-	1,428,991	1,428,991	1,420,091
Land	-	38,700	38,700	38,700
Debt retirement provision	-	-	-	75,596
Total assets and provisions	\$ 251,245	\$ 4,011,796	\$ 4,267,041	\$ 4,109,607

LIABILITIES AND FUND EQUITY

LIABILITIES:

Accounts payable	\$ 15,743	-	\$ 15,743	\$ 5,081
Notes payable	-	-	-	75,596
Total liabilities	15,743	-	15,743	81,587

FUND EQUITY:

Fund asset investment	-	4,011,796	4,011,796	3,889,128
Fund balance - reserved for prepaid expenses	39,228	-	39,228	31,121
Fund balance - concerned, unobligated	201,271	-	201,271	421,408
Total fund equity	241,500	4,011,796	4,253,296	4,341,657
Total liabilities and fund equity	\$ 241,500	\$ 4,011,796	\$ 4,267,041	\$ 4,109,607

**SAILING VOLUNTEER FERRY DEPARTMENT, INC.
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2000**

	2001	2000
REVENUES		
Interest - 1% cost	\$ 234,800	\$ 235,200
Operations and capital improvements millage	111,200	100,104
Ferries insurance rebate	40,200	31,768
Other revenues	44,200	30,600
Total revenues	430,400	401,672
EXPENDITURES		
Utilities:		
Electricity, water and gas	20,712	18,074
Telephone	1,880	3,540
Equipment:		
Maintenance	40,018	31,428
Fuel	4,200	4,180
Insurance	11,000	1,610
Buildings:		
Maintenance	24,004	22,800
Insurance	27,220	16,010
Personnel:		
Insurance	4,000	16,100
Training	26,250	21,800
Firefighting expenditures:		
Fire supplies	12,310	6,500
Miscellaneous:		
Accounting and auditing	4,000	3,300
Books and subscriptions	1,150	-
Fire prevention	1,810	-
Legal fees	750	2,510
Office expense	1,470	2,970
Medical	2,120	-
Meetings and other	12,780	10,620
Account group activity:		
Equipment purchases and building additions	402,410	408,104
Fish retirement	78,000	68,500
Interest expense	1,700	2,240
Total expenditures	698,640	679,440
(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(268,240)	(277,768)
FUND BALANCE, BEGINNING OF YEAR	488,000	761,200
FUND BALANCE, END OF YEAR	\$ 219,760	\$ 483,432

**LULING VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2009**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Luling 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 basis applied.

The Fire Department records are maintained on the 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 30th day of the month following incurrence of the taxes by businesses.

LULING VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

(C) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues (Continued)

An ad valorem tax levied is dedicated to the operations of the nine volunteer fire departments in St. Charles Parish. The millage expires in 2009. Each department is to receive one ninth of annual collections. Taxes levied in November 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

The Fire 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 Fire 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, 2003, the carrying amount of the Fire Department's deposits was \$195,756 and the bank balance was \$223,662, classified as follows:

Federally insured	\$	223,662
Collateralized		-
Unsecured and uncollateralized		-
	\$	<u>223,662</u>

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2003, 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.

LILING VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2002

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

The Fire Department was not required to prepare a budget for the year ended December 31, 2001.

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 Debt

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.

Long-term liabilities expected to be financed from the General Fund are accounted for in the general long-term debt 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 of Combined Balance Sheet

Total columns on the combined balance sheet are captioned "memorandum 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. Nor 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.

LULING VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

(0) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB 34 Implementation

The Governmental Accounting Standards Board (GASB) issued Statement Number 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Government*, in June 1999. The date of implementation is effective in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999 (earlier application is encouraged). The Fire Department is required to implement the provisions of the pronouncement for financial statements for the period beginning after June 15, 2003, because total annual revenues were less than \$10 million in the year ending December 31, 1999.

GASB Statement Number 34 establishes a new governmental financial reporting model that will feature, among other significant changes, management discussion and analysis, a unique combination of fund-based and government-wide financial statements and required supplementary information. The effects on the Fire Department's financial statements are not known at this time; however, the pronouncement will be implemented for the year ending December 31, 2004.

(2) SALES TAX REVENUE

Effective March 1, 1983, sales tax 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 January, 2000, the sales tax is distributed on the following basis:

	Monthly Basis	Percent of Remaining Funds
Bryon Gaudin Volunteer Fire Dept., Inc.	\$ 2,500	1.65%
Des A. Hernandez Volunteer Fire Dept., Inc.	\$ 2,500	4.65%
East Side St. Charles Volunteer Fire Dept., Inc.	\$ 2,500	23.87%
Hahnville Volunteer Fire Dept., Inc.	\$ 2,500	1.88%
Killisa Volunteer Fire Dept., Inc.	\$ 2,500	1.47%
Luling Volunteer Fire Dept., Inc.	\$ 2,500	28.52%
North Anna Volunteer Fire Dept., Inc.	\$ 2,500	18.19%
Pasadena Volunteer Fire Dept., Inc.	\$ 2,500	4.79%
St. Rose Volunteer Fire Dept., Inc.	\$ 2,500	18.77%

LELING VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

(3) DEBT FROM PARISH

Revenue receivable at December 31, 2003, consists of the Fire Department's share of the 1/8th cent sales tax for the month of November 2003, collected on or before December 20, 2003, by the St. Charles Parish School Board and received by St. Charles Parish in January 2004.

An allowance for uncollectible receivables is not recorded by the Fire Department because it considers all receivables collectible at December 31, 2003.

(4) CHANGES IN GENERAL FIXED ASSETS

	Balance 12/31/02	Purchases 2003	Retirements 2003	Balance 12/31/03
Fire protection vehicles	\$1,356,992	\$ 264,879	-	\$1,621,871
Equipment	773,907	137,666	-	911,573
Buildings	1,420,991	-	-	1,420,991
Land	38,200	-	-	38,200
	\$2,589,170	\$ 402,476	\$ -	\$3,011,796

(5) LEASES

During 1999, the Fire Department entered into an agreement to lease a copy machine. Rent expense under this lease for the year ended December 31, 2003 was \$1,819.

At December 31, 2003, minimum rental commitments under this lease were as follows:

Year ending December 31,	
2004	\$ 3,176

(6) RISK MANAGEMENT

The Fire Department is exposed to various risks of losses related to tort; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Fire Department carries commercial insurance in amounts sufficient to insure itself against claims resulting from any of those risks.

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

Luling Volunteer Fire Department, Inc.
67 St. Anthony Street
Luling, Louisiana 70076

We have audited the general purpose financial statements of Luling Volunteer Fire Department, Inc., an not-for-profit organization, for the year ended December 31, 2003, and have issued our report thereon dated June 22, 2004. 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.

Compliance

As part of obtaining reasonable assurance about whether Luling Volunteer Fire Department, Inc.'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 those 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 Luling Volunteer Fire Department, Inc.'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. Our consideration of the internal control over financial reporting would not necessarily disclose all instances 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 in relation 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

ERICSEN KRENTZ & LA PORTELLE

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Luling Volunteer Fire Department, Inc.

June 23, 2004

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This report is intended solely for the information and use of Luling Volunteer Fire Department, Inc., St. Charles Parish and the Louisiana Legislative Auditor and is not intended to be used should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

June 23, 2004


Eric Krentz
Certified Public Accountant

LULING VOLUNTEER FIRE DEPARTMENT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2003

We have audited the financial statements of Luling Volunteer Fire Department, Inc. as of and for the year ended December 31, 2003, and have issued our report thereon dated June 22, 2004. 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. Our audit of the financial statements as of December 31, 2003 resulted in an unqualified opinion.

SECTION I SUMMARY OF AUDITORS' REPORTS

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ___ Yes X No

Reportable Conditions ___ Yes X No

Compliance

Compliance Material to Financial Statements ___ Yes X No

b. Federal Awards Not Applicable

Internal Control

Material Weaknesses ___ Yes ___ No

Reportable Conditions ___ Yes ___ No

Type of Opinion on Compliance: Unqualified ___ Qualified ___
for Major Programs: Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with Circular A-133, Section 310(a)?

___ Yes ___ No

c. Identification of Major Programs: Not Applicable

CFDA Number(s)	Name of Federal Program (or Cluster)

LILING VOLUNTEER FIRE DEPARTMENT, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2005

Dollar threshold used to distinguish Type A and Type B Programs: \$ _____

Is this audit a 'low-risk' audit, as defined by OMB Circular A-133?

Yes No Not Applicable

SECTION II FINANCIAL STATEMENT FINDINGS

Not Applicable

LULING VOLUNTEER FIRE DEPARTMENT, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

3021.1 Segregation of Duties

Our evaluation of the internal control structure revealed an absence of appropriate segregation of duties consistent with appropriate control objectives relative to cash receipts and disbursements.

The Department has hired a bookkeeper who has taken over general ledger recording duties from the Department's treasurer. Neither individual has control over all accounting functions relative to cash receipts and disbursements. This issue has been resolved.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO
FEDERAL AWARDS**

Not Applicable

SECTION III MANAGEMENT LETTER

Not Applicable