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**BROUILLETTE VOLUNTEER
FIRE ASSOCIATION, INC.**

Financial Report

Year Ended June 30, 2004

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 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 1-12-05

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ACCOUNTANTS' REPORT

To the Board of Directors
Brouillette Volunteer Fire Association, Inc.
Marksville, Louisiana

We have compiled the accompanying statement of financial position of Brouillette Volunteer Fire Association, Inc. (a nonprofit organization), as of June 30, 2004, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Marksville, Louisiana
December 23, 2004

FINANCIAL STATEMENTS

BROUILLETTE VOLUNTEER FIRE DEPARTMENT, INC.
Marksville, Louisiana

Statement of Financial Position
(Unaudited)
June 30, 2004

ASSETS

Current assets:	
Cash and cash equivalents	\$ 36,521
Accounts receivable	<u>9,467</u>
Total current assets	<u>45,988</u>
Fixed assets:	
Building and improvements	51,507
Equipment	73,065
Trucks	<u>189,194</u>
Total fixed assets	313,766
Less: accumulated depreciation	<u>(95,360)</u>
Subtotal	<u>218,406</u>
 Total assets	 <u>\$ 264,394</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ <u>-</u>
Total current liabilities	<u>-</u>
Net Assets:	
Unrestricted net assets -	
Operations	45,988
Fixed assets	<u>218,406</u>
Total unrestricted net assets	<u>264,394</u>
 Total liabilities and net assets	 <u>\$ 264,394</u>

See accountants' report.

BROUILLETTE VOLUNTEER FIRE DEPARTMENT, INC.
Marksville, Louisiana

Statement of Activities
(Unaudited)
For the year Ended June 30, 2004

Support and revenue:	
Support	
Contributions	\$ 6,500
Total support	<u>6,500</u>
Revenue	
Ad valorem taxes	31,904
Miscellaneous	6,870
State 5% insurance rebate	2,645
APPJ revenue	1,200
State Forestry Grant	3,505
FEMA Grant	<u>58,500</u>
Total revenue	<u>104,624</u>
 Total support and revenue	 <u>111,124</u>
 Expenses:	
Depreciation	19,009
Training	1,147
Insurance	7,022
Interest	718
Office	22
Repairs	376
Supplies	12,516
Meeting expense	388
Other	<u>2,401</u>
Total expenses	<u>43,599</u>
 Change in net assets	 67,525
 Net assets, beginning of year	 <u>196,869</u>
 Net assets, end of year	 <u>\$264,394</u>

See accountants' report.

BROUILLETTE VOLUNTEER FIRE DEPARTMENT, INC.
Marksville, Louisiana

Statement of Cash Flows
(Unaudited)
For the year Ended June 30, 2004

Cash flows provided for operating activities:	
Change in net assets	<u>\$ 67,525</u>
Adjustments to reconcile change in net assets to net cash provided for operating activities -	
Depreciation	19,009
Decrease in accounts receivable	897
Change in accounts payable	-
Total adjustments	<u>19,906</u>
Net cash provided for operating activities	<u>87,431</u>
Cash flows from capital financing activities:	
Purchase of buildings & improvements	(7,500)
Purchase of trucks	(64,999)
Purchase of equipment	<u>(1,893)</u>
Total cash used for capital financing activities	<u>(74,392)</u>
Cash flows from financing activities:	
Decrease in accrued interest payable	(1,359)
Payments on note payable	<u>(16,245)</u>
Net cash used for financing activities	<u>(17,604)</u>
Net decrease in cash and cash equivalents	(4,565)
Cash and cash equivalents, beginning of year	<u>41,086</u>
Cash and cash equivalents, end of year	<u>\$ 36,521</u>

See accountants' report.

BROUILLETTE VOLUNTEER FIRE ASSOCIATION, INC.
Marksville, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

Fire Department

The Brouillette Volunteer Fire Association, Inc. (Fire Department) was incorporated on March 13, 1985 as a nonprofit corporation as defined in Louisiana Revised Statutes of R. S. 1950 Title 12, Chapter 2, as amended. The Fire Department operates under a Board of Directors consisting of a president, vice-president, and secretary-treasurer and is elected on an annual basis. The members of the Brouillette Volunteer Fire Association, Inc. vote on all matters brought before the Board. The Fire Department serves approximately 490 structures and meetings are held quarterly. The following is a summary of certain significant accounting policies.

A. Financial Statement Presentation:

The Fire Department adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Fire Department is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions.

The Fire Department also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made" in accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, the Fire Department has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

C. Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments that are readily convertible into cash within ninety (90) days of purchase.

BROUILLETTE VOLUNTEER FIRE ASSOCIATION, INC.
Marksville, Louisiana

Notes to Financial Statements (Continued)

D. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1st and are due and payable on or before December 31. All unpaid taxes become delinquent January 2 of the following year. The taxes are assessed by the Avoyelles Parish Assessor's Office and collected by the Avoyelles Parish Sheriff's Office. The taxes are then remitted to the Avoyelles Parish Police Jury on behalf of Fire Protection District No. 2. The Fire Department is one of 14 members in this District. After deducting a fee of \$20,000 to defray the expenses of the Board of Commissioners of the Fire Protection District, each member is guaranteed a base amount of \$25,000. Any remaining funds are distributed to the members on a basis of structures served.

E. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

F. Fixed Assets

Fixed assets acquired by the Fire Department are considered to be owned by it.

The Fire Department follows the practice of capitalizing, at cost, all expenditures for fixed assets. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Building and improvements	30-40 years
Furniture and equipment	5-10 years
Vehicles	10-20 years

The net fixed asset balance has been recorded as a separate component in unrestricted net assets.

2. Deposits and Investments

Deposits

At year-end, the carrying amount of the Fire Department's deposits was \$36,521 and the bank balance was \$37,604. Of the bank balance, \$37,604 was covered by federal depository insurance. Of the book balance, \$28,497 was tax monies, which is restricted to be expended on fire equipment and supplies.

BROUILLETTE VOLUNTEER FIRE ASSOCIATION, INC.
Marksville, Louisiana

Notes to Financial Statements (Continued)

Certificates of Deposit

The Fire Department had no Certificates of Deposit at June 30, 2004.

(3) Accounts Receivable

The billed receivable balance at June 30, 2004 of \$9,467 consisted of property taxes due from the Fire Protection District No. 2 of \$6,822 and \$2,645 receivable for 2% fire insurance tax.

(4) Fixed Assets

A summary of changes in Property, Plant and Equipment are as follows:

	<u>Balance</u> <u>06/30/2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/04</u>
Land and buildings	\$ 44,007	\$ 7,500	\$ -	\$ 51,507
Equipment	71,172	1,893	-	73,065
Trucks	<u>124,195</u>	<u>64,999</u>	<u>-</u>	<u>189,194</u>
	<u>\$ 239,374</u>	<u>\$ 74,392</u>	<u>\$ -</u>	<u>\$ 313,766</u>

(5) Changes in Long-term Debt

The following is a summary of note transactions of the Fire Department for the year ended June 30, 2004:

Notes payable at 06/30/03	\$ 16,245
Debt issued	-
Principal payments	<u>(16,245)</u>
Notes payable at 06/30/04	<u>\$ -</u>

Notes payable (current and long-term portions) are financed with the Hibernia Bank, Alexandria, Louisiana.

BROUILLETTE VOLUNTEER FIRE ASSOCIATION, INC.
Marksville, Louisiana

Notes to Financial Statements (Continued)

6) Retirement Commitments

Individuals who serve the Fire Department are volunteers; therefore, there is no liability for retirement benefits.

(7) Commitments and Contingencies

As of June 30, 2004 there were no lawsuits against the Fire Department .

(8) Grant Revenue

The Fire Department received \$58,500 of FEMA grant funds to purchase a fire truck pumper. The total cost of the truck was \$65,000. The Fire Department's local share was \$6,500.

SUPPLEMENTAL INFORMATION

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Brouillette Volunteer Fire Association, Inc.
Marksville, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Brouillette Volunteer Fire Association, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Brouillette Volunteer Fire Association, Inc.'s compliance with certain laws and regulations during the year ended June 30, 2004 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the year by grant and grant year.

The Brouillette Volunteer Fire Association, Inc. received a FEMA grant of \$58,500 for a 3000 gallon pumper truck. The Fire Department expended the proceeds for the truck in accordance with the grant agreement.

Meetings

2. Examine evidence indication that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12(the open meeting law).

Management provided us with copies of minutes taken at the quarterly meetings and we observed the minutes taken at some of the meetings.

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Comprehensive Budget

3. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants that included specific goals and measures of performance.

Brouillette Volunteer Fire Association, Inc. received a FEMA grant for \$58,500 during the year ended June 30, 2004, and a grant budget was provided to the grantor agency.

Prior Comments and Recommendations

4. Review prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

There were no prior year comments and/or suggestions to review.

Other Compliance Matters

5. Review expenditures paid with ad valorem tax monies to determine that expenditures were spent in accordance with the tax issue approved by voters.

We reviewed all expenditures paid with tax monies and noted all expenditures were for equipment, buildings, supplies and training in accordance with the ad valorem tax issue.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Brouillette Volunteer Fire Association, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Kolder, Champagne, Slaven & Rainey, LLC
Certified Public Accountants

Marksville, Louisiana
December 23, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)

12/28/04

Kolder, Champagne, Slaven & Co.
133 E. Waddil St.
P.O. Box 531
Marksville, LA 71351

In connection with your review of our financial statements as of December 23, 2004 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 15, 2004

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes No

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

Janice D. Brevelle Secretary 12/27/04 Date
NA Treasurer _____ Date
And Dwyer President 12/27/04 Date