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BROUSSARD FIRE DEPARTMENT

Broussard, Louisiana

FINANCIAL REPORT

June 30, 1997

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Witness Date: 7/25/97

EUGENE E. CHABULLA, JR.
Certified Public Accountant
Lafayette, Louisiana

TABLE OF CONTENTS

	Page
Accountant's Compliance Report	1
GENERAL FUND FINANCIAL STATEMENTS	
Comparative Balance Sheet	2
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget (GAAP Basis) and Actual	3
Notes to Financial Statements	4-9
AGREED-UPON PROCEDURES	
Independent Accountant's Report on Applying Agreed-Upon Procedures	10-11

EUGENE E. CHARULLI, JR.

CERTIFIED PUBLIC ACCOUNTANT

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December 22, 1997

To the Board of Directors
Brossard Fire Department
Brossard, Louisiana

I have compiled the accompanying balance sheet of the Brossard Volunteer Fire Department as of June 30, 1997, and the related statements of income and retained earnings for the year then ended, in accordance with Standards of 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. I have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Respectfully,



Eugene E. Charulli, Jr.
Certified Public Accountant

BROUSSARD FIRE DEPARTMENT
BROUSSARD, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2007 AND 2006

	2007	2006
ASSETS AND OTHER DEBITS		
Cash	10,266	14,000
Interest-bearing deposits	29,640	22,334
Accrued interest receivable	100	133
Total assets & other debits	<u>40,006</u>	<u>40,467</u>
LIABILITIES AND FUND EQUITY		
Liabilities		
Total liabilities	-0-	-0-
Fund Equity		
Fund balance, unreserved and undesignated	40,006	40,467
Total liabilities and fund equity	<u>40,006</u>	<u>40,467</u>

See Notes to Financial Statements.

BROUSSARD FIRE DEPARTMENT
Broussard, Louisiana
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 1997
With Comparative Actual Amounts for Year Ended June 30, 1996

	1997		1996	
	Budget	Actual	Budget (Enclosed)	Actual
Revenues:				
Intergovernmental				
Annual payments	2500	2500	500	3,250
Trans. of Government	1000	-	(1000)	-
Intergovt. return	1500	0		
Donations	1100	0	500	500
Miscellaneous	40	100	50	-
Total Revenues	5040	3100	1550	3650
Expenditures:				
Public safety				
Meals	100	80	80	80
Repairs and maintenance	700	0	600	0
Supplies	500	500	(1,400)	2,600
Utilities	600	1,200	500	1,000
Travel and mileage	800	500	100	1,000
Dues	30	10	10	10
Miscellaneous	500	100	80	50
Expenditures capital outlay:				
Equipment	3000	3100	(1,000)	3,000
Total Expenditures	5070	3190	500	3,700
Excess (deficiency) of revenues over expenditures	(30)	(90)	500	(50)
Fund balance beginning	3,270	4,000	2,000	3,200
Fund balance ending	3,240	3,910	2,500	3,150

See Notes to Financial Statements.

**BROUSSARD FIRE DEPARTMENT
BROUSSARD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies

The accounting and reporting policies of the Broussard Fire Department conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry work guide, *Auditor of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity The Broussard Fire Department is a non-profit corporation which was created by a resolution dated January 25, 1978, approving an agreement to merge the Broussard Volunteer Fire Department with the Broussard Fire Department. The purpose of the Broussard Fire Department (the surviving corporation) is to inspect, prevent, eradicate and extinguish all types of destructive fires within or near the Town of Broussard, Louisiana.

The financial reporting entity consists of (a) the primary government (fire department), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Broussard Fire Department for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the fire department to impose its will on the organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the fire department.
2. Organizations for which the fire department does not appoint a voting majority but are fiscally dependent on it.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

A. Financial Reporting Entity (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature and significance of the relationship.

The following circumstances were considered in determining that the Bossard Fire Department is not a component unit of the Lafayette Parish Police Jury or the Town of Bossard, Louisiana.

- a. A majority of the fire department's board is not appointed by the parish government or the town.
- b. The fire department's budget is not approved by the parish government or the town.
- c. Neither the parish government or the town are responsible for liabilities of the fire department.
- d. The nature and significance of the fire department's relationship with the parish government and the town is not such that exclusion of the fire department's financial statements would render the financial statements of the police jury or the town incomplete or misleading.

Therefore, the Bossard Fire Department was determined to be a separate special purpose government. Also, no organizations have been determined to be component units of the Bossard Fire Department.

- B. **Fund Accounting:** The accounts of the Bossard Fire Department are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

The General Fund is the general operating fund of the fire department. It is used to account for all financial resources except those required to be accounted for in another fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

- C. **Fixed Assets and Long-Term Liabilities:** As stipulated in the terms of the agreement to merge the Houssard Volunteer Fire Department and the Broussard Fire Department, all property acquired by the corporation is acquired for and in the name of the municipality, the Town of Broussard, Louisiana. Therefore, all assets are transferred to and included in the Town of Broussard, Louisiana General Fixed Asset Account Group and are not presented as a part of this report.

Long-term liabilities expected to be financed from the General Fund are accounted for in the General Long-Term Debt Account Group. There were no long-term liabilities at June 30, 1997 and 1996.

- D. **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 measurements made, regardless of the measurement focus applied.

The General Fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Intergovernmental revenues (in the form of appropriations) are recorded when the Broussard Fire Department is entitled to the funds. All other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

- E. **Budgets and Budgetary Accounting:** The Broussard Fire Department follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Fire Chief prepares a proposed budget and submits it to the Board of Directors prior to the beginning of each fiscal year.
2. A summary of the proposed budget is made available for public inspection.
3. The proposed budget is legally adopted prior to the commencement of the fiscal year to which it applies.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are the final amended amounts for the fiscal year.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

F. **Vacation, Sick Leave, and Pension Plan** The Broussard Fire Department had no employees during the year ended June 30, 1997. Therefore, it did not have a policy on vacation and sick leave, nor did it have a pension plan.

G. **Encumbrances** 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 not employed by the Broussard Fire Department.

H. **Comparative Data** Comparative data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Broussard Fire Department's financial position and operations.

I. **Dollar Signs** All numeric data in the financial statements and accompanying notes are presented in U.S. dollars. Dollar signs have been omitted.

2. Deposits with Financial Institutions

Under state law, the Broussard Fire Department may 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, or the laws of the United States. At June 30, 1997, the Fire Department had cash and interest-bearing deposits of \$40,151. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The deposit balance (bank balance) at June 30, 1997, of \$40,151 was secured in full by federal deposit insurance.

3. Board Members

The board members of the Broussard Fire Department receive no compensation.

4. Litigation

There is no litigation pending against the Broussard Fire Department at June 30, 1996.

5. Risk Management

The Broussard Fire Department is exposed to risks of loss in the areas of general and auto liability and property hazards. These risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year. Settlements have not exceeded insurance coverage during the three year period ended June 30, 1997.

AGREED-UPON PROCEDURES

EUGENE E. CHARULLA, JR.
CERTIFIED PUBLIC ACCOUNTANT

310 RHYMAN BLVD.
MONROE, LA 70001

12/15/2010

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Broussard Fire Department
Broussard, Louisiana

I have performed the procedures enumerated below, which were agreed to by the Board of Directors of the Broussard Fire Department, Broussard, Louisiana, solely to assist you in evaluating the accompanying Statement of Revenue, Expenditures, and Changes in Fund Balances (prepared in accordance with the criteria specified therein) for the year ended December 31, 1997. This agreed-upon procedures engagement was performed in accordance with standards establish by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I 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.

Public Bid Law

1. I agreed to select all expenditures made during the year for material and supplies exceeding \$10,000 or public works exceeding \$50,000, and to determine whether such purchases were made in accordance with public bid law.

Finding: I determined that one expenditure totaling \$28,402.90 met this requirement. A 1997 Dodge 3500 truck was purchased. The expenditure was advertised, however, the advertisement referenced a specific vehicle, identifying year, make and model. Therefore, the purchase was not made in accordance with LSA-RS 38:2211-2251 (the public bid law).

Code of Ethics for Public Officials and Public Employees

2. I agreed to:

(a) determine if there were any employees paid during the period under examination, and if so to obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1301-1324 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families;

(b) obtain from management a listing of all employees paid during the period under examination; and

(c) determine whether any of those employees included in the listing obtained from management were also included on the listing obtained from management were also included on the listing obtained from management in agreed-upon procedure as immediate family members.

Finding: There were no employees paid during the period under examination.

Budgeting

3. I agreed to obtain a copy of the legally adopted budget and all amendments; trace the budget adoption and amendments to the minute book and to compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

Finding: Copies of the legally adopted budget and all amendments were obtained and traced to the minute book. Actual revenues and expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

4. I agreed to randomly select 5 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

(b) determine if payments were properly coded to the correct fund and general ledger account; and

(c) determine whether payments received approval from proper authorities.

Finding: All disbursements selected were properly approved, properly coded and agreed to supporting documents as to proper payee and amount.

Meetings

5. I agreed to examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-BS 42:1 through 42:12 (the open meetings law).

Finding: I found no evidence indicating that agendas for meetings were posted or advertised.

Debt

6. I agreed to examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or life indebtedness.

Finding: Bank deposits for the period under examination were examined and no deposits appeared to be the proceeds of bank loans, bonds, or life indebtedness.

Advances and Bonuses

7. I agreed to examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

Finding: There were no employees during the period under examination.

Sincerely,



EUGENE E. CHIARULLI, JR.
Certified Public Accountant