

OFFICIAL  
FILE COPY

DO NOT SEND OUT

(Xerox necessary  
copies from this  
copy and PLACE)

RECEIVED  
LEGISLATIVE AUDITOR  
96 JUL -1 AM 9:55

WESTWEGO VOLUNTEER FIRE COMPANY #1  
WESTWEGO, LOUISIANA  
ANNUAL FINANCIAL REPORT  
DECEMBER 31, 1995

under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, 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 8-7-96

T A B L E   O F   C O N T E N T S

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	3
GENERAL PURPOSE FINANCIAL STATEMENTS	
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS	4
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE	5
NOTES TO FINANCIAL STATEMENTS	6-8
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	9
INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	10-11

**UZEE, BUTLER, ARCENEUX & BOWES**

CERTIFIED PUBLIC ACCOUNTANTS

2067 PAXTON STREET

HARVEY, LOUISIANA 70058

(504) 347-0441

FAX (504) 347-0467

DOUGLAS L. UZEE, CPA  
(1926 - 1988)  
JAMES L. BUTLER, CPA  
N. PAUL ARCENEUX, CPA  
PATRICK J. BOWES, CPA

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

INDEPENDENT AUDITOR'S REPORT

Officers and Members of the  
Westwego Volunteer Fire Company #1

We have audited the accompanying general purpose financial statements of Westwego Volunteer Fire Company #1, Westwego, Louisiana, as of and for the year ended December 31, 1995, as listed in the table of contents. These financial statements are the responsibility of Westwego Volunteer Fire Company #1's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *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 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 the Westwego Volunteer Fire Company #1, at December 31, 1995, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

*Uzee, Butler, Arceneux & Bowes*  
Harvey, Louisiana  
June 21, 1996

WESTWEGO VOLUNTEER FIRE COMPANY #1

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
December 31, 1995

	Governmental Fund Type <u>General</u>	Account Group General <u>Fixed Assets</u>	Total (Memorandum Only)
ASSETS			
Cash, including \$10,160 in savings account and \$42,100 in certificates of deposit	\$ 64,051	\$ -0-	\$ 64,051
Due from City of Westwego (subsequently collected)	24,418	-0-	24,418
Deposit for 1996 convention	1,240	-0-	1,240
Fixed assets:			
Land	-0-	18,536	18,536
Buildings and improvements	-0-	177,575	177,575
Equipment	<u>-0-</u>	<u>521,920</u>	<u>521,920</u>
Total assets	<u>\$ 89,709</u>	<u>\$718,031</u>	<u>\$807,740</u>
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities:			
Accounts payable	\$ 1,112	\$ -0-	\$ 1,112
Withheld and accrued payroll taxes	1,008	-0-	1,008
Accrued salaries	<u>476</u>	<u>-0-</u>	<u>476</u>
Total liabilities	<u>2,596</u>	<u>-0-</u>	<u>2,596</u>
Equity and other credits:			
Investment in general fixed assets	-0-	718,031	718,031
Fund balance:			
Designated for fire prevention	342	-0-	342
Unreserved - undesignated	<u>86,771</u>	<u>-0-</u>	<u>86,771</u>
Total equity and other credits	<u>87,113</u>	<u>718,031</u>	<u>805,144</u>
Total liabilities, equity and other credits	<u>\$ 89,709</u>	<u>\$718,031</u>	<u>\$807,740</u>

The accompanying notes are an integral part of this statement.

WESTWEGO VOLUNTEER FIRE COMPANY #1  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
Year ended December 31, 1995

Revenues:

Intergovernmental:

City of Westwego subsidies for operation	\$ 65,000	
City of Westwego (2% fire insurance rebate received from state)	<u>24,418</u>	\$ 89,418
Charges for services		300

Miscellaneous:

Contributions	2,253	
Drink machine sales	2,494	
Rents	1,500	
Membership dues	1,909	
Interest income	2,515	
Insurance reimbursement	1,222	
Other	<u>528</u>	<u>12,421</u>

Total revenues 102,139

Expenditures:

Current operating:

Salaries and wages	28,564	
Conventions, seminars and meetings	7,382	
Dues and subscriptions	1,105	
Food and beverage	3,840	
Membership social activities	1,469	
Office expense	3,716	
Payroll taxes	2,503	
Professional services	1,100	
Repairs and maintenance	3,110	
Supplies	11,589	
Training	886	
Uniforms	708	
Miscellaneous	<u>2,054</u>	68,026
Capital outlay - purchases of equipment		<u>14,690</u>

Total expenditures 82,716

Excess of revenues over expenditures 19,423

Fund balance at beginning of year 67,690

Fund balance at end of year \$ 87,113

The accompanying notes are an integral part of this statement.

WESTWEGO VOLUNTEER FIRE COMPANY #1

NOTES TO FINANCIAL STATEMENTS  
December 31, 1995

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Westwego Volunteer Fire Company #1 (the Fire Company) was incorporated on December 13, 1922 under the laws of the State of Louisiana to provide fire protection in the City of Westwego, Louisiana. The Fire Company presently maintains and operates five fire stations in the City of Westwego.

Because the Fire Company receives the vast majority of its financial support from the City of Westwego 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. 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. The Fire Company is not a component unit of another reporting entity.

B. Fund Accounting. For financial reporting 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.

WESTWEGO VOLUNTEER FIRE COMPANY #1

NOTES TO FINANCIAL STATEMENTS - CONTINUED  
December 31, 1995

- 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 accordance with generally accepted accounting principles, the accounting records are adjusted on a memorandum basis to the modified accrual basis of accounting. Intergovernmental revenues and membership dues are recognized in the period for which received. Interest income is recognized as revenue of the period in which earned. All other revenues are recognized in the period in which received. Expenditures are recognized when the related liability is incurred. Unpaid vacation and sick pay do not accumulate for the employee and therefore are not accrued.
- D. Budget and Budgetary Accounting. The Fire Company is not legally required to adopt a budget and none was adopted. Therefore, a 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 recorded at cost or estimated historical cost when actual cost is unavailable. Approximately 58% of the fixed assets categorized as equipment have been recorded at estimated historical costs determined by management based on catalog prices. Donated fixed assets are recorded in the general fixed assets account group at their estimated fair market value at time of acquisition. Assets in the General Fixed Assets Account Group are not depreciated.
- F. Memorandum Only - Total Column. 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 condition in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CASH

At December 31, 1995, the carrying amount of the Fire Company's bank deposits was \$58,528 and the bank balances were \$59,168, all of which were covered by federal depository insurance.

WESTWEGO VOLUNTEER FIRE COMPANY #1

NOTES TO FINANCIAL STATEMENTS - CONTINUED  
December 31, 1995

3. FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group during the year ended December 31, 1995.

	<u>LAND</u>	<u>BUILDINGS AND IMPROVEMENTS</u>	<u>EQUIPMENT</u>	<u>TOTAL</u>
Balance, January 1	\$ 18,536	\$177,575	\$476,686	\$672,797
Additions during year	<u>-0-</u>	<u>-0-</u>	<u>45,234</u>	<u>45,234</u>
Balance, December 31	\$ <u>18,536</u>	\$ <u>177,575</u>	\$ <u>521,920</u>	\$ <u>718,031</u>

4. 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 susceptible to objective measurement or evaluation.

5. RELATED PARTY TRANSACTIONS

The land on which one of the fire stations is located is leased from the City of Westwego for a period of ninety-nine years beginning September 13, 1954 at a rental of \$1.00 a year.

Several expenditures incurred in operating and maintaining the fire stations, such as salaries of paid firemen, utilities, telephone and fuel for and repair of vehicles and some capital outlays are borne by the City of Westwego and are not included in the accompanying financial statements. These expenditures, which aggregated approximately \$360,000 for the year ended December 31, 1995, are reported as part of the "public safety" expenditures in the financial statements of the City of Westwego. In addition, as part of its unallocated general expenditures, the City of Westwego pays for general insurance, health insurance and pension costs applicable to the Fire Company's employees and its operations.

The City of Westwego also provides to the Fire Company the free use of several fire trucks and other vehicles.

UZEE, BUTLER, ARCENEUX & BOWES

CERTIFIED PUBLIC ACCOUNTANTS  
2067 PAXTON STREET  
HARVEY, LOUISIANA 70058

(504) 347-0441  
FAX (504) 347-0467

DOUGLAS L. UZEE, CPA  
(1926 - 1988)  
JAMES L. BUTLER, CPA  
N. PAUL ARCENEUX, CPA  
PATRICK J. BOWES, CPA

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Officers and Members of the  
Westwego Volunteer Fire Company #1

We have audited the general purpose financial statements of Westwego Volunteer Fire Company #1 (the Fire Company) as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996

We conducted our audit in accordance with generally accepted auditing standards and *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.

Compliance with laws, regulations, and contracts applicable to the Fire Company is the responsibility of the Fire Company's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Fire Company's compliance with certain provisions of laws, regulations, and contracts. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

This report is intended for the information of the officers and members of the Fire Company and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Uzee, Butler, Arceneux & Bowes*

Harvey, Louisiana  
June 21, 1996

# UZEE, BUTLER, ARCENEUX & BOWES

CERTIFIED PUBLIC ACCOUNTANTS

2067 PAXTON STREET

HARVEY, LOUISIANA 70058

(504) 347-0441

FAX (504) 347-0467

DOUGLAS L. UZEE, CPA

(1926 - 1988)

JAMES L. BUTLER, CPA

N. PAUL ARCENEUX, CPA

PATRICK J. BOWES, CPA

MEMBERS

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Officers and Members of the  
Westwego Volunteer Fire Company #1

We have audited the general purpose financial statements of the Westwego Volunteer Fire Company #1 (the Fire Company) as of and for the year ended December 31, 1995, and have issued our report thereon dated June 21, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *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.

The management of the Fire Company is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Fire Company, for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the officers and members of the Fire Company and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report which is a matter of public record.

*Uzee, Butler, Arceneux & Bowes*

Harvey, Louisiana  
June 21, 1996