

**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.  
Tioga, Louisiana**

**Financial Statements  
With Independent Auditor's Reports  
As of December 31, 2013, and the Year Then Ended  
(With Comparative Totals for December 31, 2012)**

**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.**  
Tioga, Louisiana

Financial Statements  
With Independent Auditor's Reports  
As of December 31, 2013, and for the Year Then Ended  
(With Comparative Totals for December 31, 2012)

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**Herbie W. Way**  
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**Independent Auditor's Report**

**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.**  
Tioga, Louisiana

**REPORT ON THE FINANCIAL STATEMENTS**

I have audited the accompanying financial statements of the Alpine City Volunteer Fire Department, Inc. (a nonprofit organization), Tioga, Louisiana, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the basic financial statements of the department, as listed in the table of contents.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**OPINIONS**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alpine City Volunteer Fire Department, Inc. as of December 31, 2013, and the results of operations, and changes in cash flows, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.**  
Tioga, Louisiana  
Independent Auditor's Report  
(Continued)

**REPORT ON SUMMARIZED COMPARATIVE INFORMATION**

I have previously audited the December 31, 2012, financial statements, and I expressed an unmodified audit opinion on those audited financial statements in my report dated May 19, 2014. In my opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, I have also issued my report dated May 19, 2014, on my consideration of the internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
May 19, 2014

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.  
 Tioga, Louisiana  
 Statement of Net Assets  
 December 31, 2013  
 (With Comparative Totals for December 31, 2012)

|                           | 2013      | 2012      |
|---------------------------|-----------|-----------|
|                           | -----     | -----     |
| ASSETS                    |           |           |
| -----                     |           |           |
| Cash and cash equivalents | \$130,930 | \$125,320 |
|                           | =====     | =====     |
| LIABILITIES               |           |           |
| -----                     |           |           |
| Liabilities               | NONE      | NONE      |
|                           | -----     | -----     |
| NET ASSETS                |           |           |
| -----                     |           |           |
| Unrestricted              | \$130,930 | \$125,320 |
|                           | -----     | -----     |
| TOTAL NET ASSETS          | \$130,930 | \$125,320 |
|                           | =====     | =====     |

The accompanying notes are an integral part of these financial statements.

Statement B  
ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.  
Tioga, Louisiana

Statement of Activities  
For the Year Ended December 31, 2013  
(With Comparative Totals for the Year Ended December 31, 2012)

|  | 2013      | 2012      |
|--|-----------|-----------|
| EXPENSES                                   | -----     | -----     |
| Current - Public Safety - Fire Protection: |           |           |
| Operating services                         | \$14,623  | \$15,570  |
| Materials and supplies                     | 18,477    | 19,827    |
| Travel and other charges                   | 1 010     | 135       |
|  | -----     | -----     |
| TOTAL EXPENSES                             | 34,110    | 35,532    |
|  | -----     | -----     |
| SUPPORT AND OTHER REVENUES                 |           |           |
| State grants - 2% fire insurance rebate    | 38,070    | 32,837    |
| Gifts and donations                        | 1,437     | 7,295     |
| Interest earnings                          | 213       | 346       |
|  | -----     | -----     |
| TOTAL REVENUES                             | 39,721    | 40,477    |
|  | -----     | -----     |
| CHANGES IN NET ASSETS                      | 5,611     | 4,946     |
|  | -----     | -----     |
| BEGINNING NET ASSETS                       | 125,3210  | 120,374   |
|  | -----     | -----     |
| ENDING NET ASSETS                          | \$130.930 | \$125,320 |
|  | =====     | =====     |

The accompanying notes are an integral part of these financial statements.

ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.  
Tioga, Louisiana

Statement of Cash Flows (Cash and Equivalents)  
For the Year Ended December 31, 2013  
(With Comparative Totals for the Year Ended December 31, 2012)

|  | 2013      | 2012      |
|--|-----------|-----------|
| Cash flows from operating activities:  |           |           |
| Cash received from grantors  | \$38,070  | \$32,837  |
| Other operating receipts   | 1,437     | 7,295     |
| Cash paid to suppliers of goods and services   | (34,110)  | (35,532)  |
| Net cash flows provided by operating activities  | 5,398     | 4,600     |
| Cash flows from investing activities - interest received   | 213       | 346       |
| Cash flows from sale of fixed assets   | NONE      | NONE      |
| Net increase (decrease) in cash and equivalents  | 5,611     | 4,946     |
| Cash and equivalents, beginning of year  | 125,320   | 120,374   |
| Cash and equivalents, end of year  | \$130,930 | \$125,320 |
| Reconciliation of net income from operating activities to net cash provided by operating activities: |           |           |
| Net income/(loss)  | \$5,398   | \$4,600   |
| Adjustments to reconcile net (income)/loss to net cash provided by operating activities              | NONE      | NONE      |
| Net cash provided (used) by operating activities   | \$5,398   | \$4,600   |

The accompanying notes are an integral part of these financial statements.

**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.**  
Tioga, Louisiana

Notes to the Financial Statements  
As of December 31, 2013, and for the Year then Ended

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Alpine City Volunteer Fire Department, Inc. (Department) is a Louisiana nonprofit organization incorporated on July 31, 1970, whose purpose is to provide fire protection and emergency services to residents within its service area. The Department serves approximately 3,000 homeowners and over 300 commercial and industrial companies in its coverage area. The Department is funded through state grants; i.e., a portion of a two (2) per cent fire insurance premium rebate from the State of Louisiana, passed through the Rapides Parish Police Jury (parish governing authority) and small donations from residents interested in maintaining fire protection services. The Department does not participate in any organized, routine fund raising activities.

In 1985, the Rapides Parish Police Jury (the parish governing authority) created Fire Protection District No. 3 of Rapides Parish (District) funded by an ad valorem property tax, to supplement, not supplant, the current fire and emergency services being provided by the Department. The boundaries of the District are conterminous with that of the Department. These two operations, working in conjunction with each other, have reduced the fire insurance rating for residents in their coverage area.

**2. FUND ACCOUNTING**

To ensure observance of limitations and restrictions placed on the use of resources available to the Department, the accounts of the Department are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose; accordingly, all financial transactions have been recorded and reported by fund. The assets, liabilities and fund balances of the Department are reported in a self-balancing Operating Fund. The Operating Fund includes all financial resources that are available for support of the Department's operations.

**3. SUPPORT AND REVENUES**

Support and revenues are recorded when received. The Department does not recognize (record) the value of time or materials donated by volunteers. All support and revenues are considered to be available for unrestricted use unless specifically restricted by the contributor. At December 31, 2013, the Board retains unrestricted control to use all funds in achieving its purpose.

**4. CASH AND EQUIVALENTS**

At December 31, 2013, the fire department has cash and cash equivalents as follows:

|                                  |                         |
|----------------------------------|-------------------------|
| Petty cash                       | \$565                   |
| Demand deposits                  | 449                     |
| Time and certificates of deposit | <u>129,916</u>          |
| Total                            | <u><u>\$130,930</u></u> |

These deposits are stated at cost, which approximates market. The resulting bank balances are fully insured by federal deposit insurance.



**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.**

Tioga, Louisiana

Notes to the Financial Statements

(Continued)

**5. FIXED ASSETS**

Since its creation in 1970, the Department has acquired various assets, mainly through donation of time and materials by residents in the Department's coverage area. Due to the nature of these items and that much of the time and materials involved in creating these items has been donated, an estimated fair market value of these assets cannot be reasonably determined; accordingly, the initial acquisition of these assets is not reflected in the accompanying financial statements.

With the creation of Fire Protection District No. 3 of Rapides Parish by the Rapides Police Jury, the Board of Directors of the Department adopted a resolution and entered into an agreement with Fire Protection District No. 3, through the Rapides Parish Police Jury, that transferred ownership of certain land, buildings, and equipment that were previously owned by the Department to the District; accordingly, the disposition of these assets is not reflected in these financial statements.

The Department has adopted the practice of capitalizing all expenditures in excess of \$500, where the estimated useful life of the asset is greater than one year. The Department records these assets at historical cost as of the date of acquisition. Ownership of these assets, based on resolutions adopted by the board of directors of the Department, may be transferred to Fire Protection District No. 3 of Rapides Parish as the directors determine necessary for the efficient operation of both the Department and the District. The acquisition and subsequent transfer of these assets will be recorded in the financial statements. A summary of fixed assets and related depreciation at December 31, 2013, follows:

|           | <u>Cost</u>    | <u>Accumulated<br/>Depreciation</u> | <u>Net</u>  |
|-----------|----------------|-------------------------------------|-------------|
| Equipment | <u>\$8,114</u> | <u>(\$8,114)</u>                    | <u>NONE</u> |

**6. FEDERAL INCOME TAXES**

The Alpine City Volunteer Fire Department, Inc., is exempt from federal income taxes under the provisions of Section 501 (c)(4) of the Internal Revenue Code.

**Independent Auditor's Reports Required  
by *Government Auditing Standards***

The following independent auditor's reports on internal control and compliance are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

**Herbie W. Way**  
**Certified Public Accountant**

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

**INDEPENDENT AUDITOR'S REPORT**

**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.**  
Tioga, Louisiana

I have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alpine City Volunteer Fire Department, Inc., Tioga, Louisiana, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued my report thereon dated May 19, 2014. .

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the entity's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether entity's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**ALPINE CITY VOLUNTEER FIRE DEPARTMENT, INC.**  
Tioga, Louisiana  
GAO Report  
(Continued)

**Purpose of this Report**

The purpose of this report is solely to describe the scope of my testing on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute (LSA-R.S.) 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Herbie W. Way*

Herbie W. Way  
Alexandria, Louisiana  
May 19, 2014