

**FIRE PROTECTION GRANT OF  
NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
(RECEIVED FROM ASSUMPTION PARISH POLICE JURY)  
Napoleonville, Louisiana**

**FINANCIAL REPORT  
DECEMBER 31, 2014**

**Waguespack & Gallagher, LLC**

*Certified Public Accountants • Business Advisors*

Post Office Box 250

Napoleonville, Louisiana 70390

(985) 369-2515

**FIRE PROTECTION GRANT OF  
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**FINANCIAL REPORT  
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# Waguespack & Gallagher, LLC

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS ADVISORS

Michael J. Waguespack, CPA, PC

Timothy J. Gallagher, CPA, PC

Tia T. Barbera, CPA, PC

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Sarah M. Gallagher, CPA

Elaine T. Waguespack, CPA

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Commissioners of  
Napoleonville Volunteer Fire Department  
Napoleonville, Louisiana

We have reviewed the accompanying Fire Protection Grant financial statements of Napoleonville Volunteer Fire Department (Fire Department) received from Assumption Parish Police Jury, Napoleonville, Louisiana as of and for the year ended December 31, 2014, which collectively comprise the Fire Department's basic financial statements as listed in the Table of Contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Fire Department. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Fire department is responsible for the preparation and for presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The management's discussion and analysis and budgetary comparison information and schedule of compensation, benefits and other payments to agency head on pages 2 through 7 and 21 through 22, respectively, are presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standard Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated May 27, 2015, on the results of our agreed-upon procedures presented on pages 22 through 24. Pages 25 through 28 present the Louisiana Attestation Questionnaire, management letter, and management's response

*Waguespack & Gallagher, LLC*

May 27, 2015  
Napoleonville, Louisiana

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4749 Highway 308  
P.O. Box 250  
Napoleonville, LA 70390  
Phone (985) 369-2515  
Fax (985) 369-2535

132 Rue Colette, Suite B  
Thibodaux, LA 70301  
Phone (985) 448-2149  
Fax (225) 208-1620

**FIRE PROTECTION GRANT OF  
NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
(PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2014**

This section of the Fire Department's annual financial report presents our discussion and analysis of the Fire Department's financial performance during the fiscal year that ended on December 31, 2014. Please read it in conjunction with the Fire Department's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The Fire Department's total net position increased by \$12,383 to \$429,463 as of December 31, 2014.
- Net position increased because the Fire Department's revenues were \$12,383 more than expenses.
- Expenses for the year were \$194,753, including depreciation expense of \$99,260.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Fire Department:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Fire Department's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Fire Department government, reporting the Fire Department's operations in more detail than the government-wide statements.
- The governmental funds statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Fire Department's financial statements, including the portion of the Fire Department's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
 (PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
 December 31, 2014**

Figure A-1 Major Features of Napoleonville Volunteer Fire Department's Government and Fund Financial Statements		
	Fund Statements	
	Government-wide Statements	Governmental Funds
<b>Scope</b>	Entire Fire Department government	The activities of the Fire Department
<b>Required financial statements</b>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>
<b>Accounting basis and measurements focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
<b>Type of inflow/outflow information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received or have otherwise been incurred.

**FIRE PROTECTION GRANT OF  
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(PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2014**

**Government-wide Statements**

The government-wide statements report information about the Fire Department as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Fire Department's net position and how they have changed. Net position—the difference between the Fire Department's assets and liabilities—is one way to measure the Fire Department's financial health, or position.

- Over time, increases or decreases in the Fire Department's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the Fire Department include:

- Governmental activities—most of the Fire Department's basic services are included here. Fire protection grant revenues, fire insurance rebate, and interest finance most of these activities.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the Fire Department's most significant funds—not the Fire Department as a whole. Funds are accounting devices that the Fire Department uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

The Fire Department has one type of fund:

- Governmental fund—The Fire Department's basic services are included in governmental fund, which focuses on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Fire Department's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
 (PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
 December 31, 2014**

**FINANCIAL ANALYSIS OF THE FIRE DEPARTMENT AS A WHOLE**

**Net position.** The Fire Department's net position increased between fiscal years 2014 and 2013 to approximately \$429,463. (See Table A-1.)

<b>Table A-1 Napoleonville Volunteer Fire Department's Net Position</b>			
	Governmental Activities		
	2014		2013
Current and other assets	102,128		303,452
Capital assets, net	528,056		116,227
<b>Total assets</b>	<b>630,184</b>		<b>419,679</b>
Liabilities	200,721		2,599
<b>Total liabilities</b>	<b>200,721</b>		<b>2,599</b>
Net position			
Invested in capital assets, net of related debt	330,946		116,227
Unrestricted	98,517		300,853
<b>Total net position</b>	<b>\$429,463</b>		<b>\$417,080</b>

Net position of the Fire Department's governmental activities increased 2.97 percent to approximately \$429,463.

**Changes in net position.** The Fire Department's total revenues increased by 14.53 percent to \$207,136 (See Table A-2). Approximately 88.9 percent of the Fire Department's revenue comes from the fire protection grant from the Assumption Parish Police Jury and approximately 8.95 percent comes from fire insurance rebates. In 2014, the Fire Department received one grant totaling \$184,132.

The total cost of all expenses decreased approximately \$13,793 or 6.7 percent. The Fire Department's expenses cover services performed by its office related to the fire protection grant.

**FIRE PROTECTION GRANT OF  
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 (PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
 December 31, 2014**

**Governmental Activities**

Revenues for the Fire Department's governmental activities increased 14.53 percent, while total expenses decreased 6.7 percent.

<b>Table A-2                  Changes in Napoleonville Volunteer Fire Department's Net Position</b>		
	<b>Governmental Activities</b>	
	<b>2014</b>	<b>2013</b>
<b>Revenues</b>		
General revenues		
Fire Protection Grant	184,132	158,970
Fire Insurance Rebate	18,532	18,559
Interest	3,070	3,314
Other	1,402	13
<b>Total revenues</b>	<b>207,136</b>	<b>180,856</b>
<b>Expenses</b>		
General Government-Public Safety	194,753	208,546
<b>Total expenses</b>	<b>194,753</b>	<b>208,546</b>
<b>Increase in net position</b>	<b>\$ 12,383</b>	<b>\$ (27,690)</b>

- The cost of all governmental activities this year decreased by approximately 6.7 percent to \$194,753.

**FINANCIAL ANALYSIS OF THE FUNDS**

As the Fire Department completed the year, its governmental funds reported a fund balance of \$101,462, a decrease from last year of approximately \$199,391.

**General Fund Budgetary Highlights**

- Over the course of the year, the Fire Department revised its budget twice.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
 (PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
 December 31, 2014**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2014, the Fire Department had invested \$528,056 in capital assets. (See Table A-3.)

**Table A-3  
 Napoleonville Volunteer Fire Department's Capital Assets  
 (net of depreciation)**

	<b>Governmental Activities</b>	
	<b>2014</b>	<b>2013</b>
Buildings	\$73,625	\$73,625
Vehicles	1,279,340	782,230
Firefighting Equipment	338,575	324,596
Accumulated Depreciation	(1,163,484)	(1,064,224)
<b>Net Capital Assets</b>	<b>\$528,056</b>	<b>\$116,227</b>

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

During the current year, the Fire Department received local grant proceeds in the amount of \$184,132. These items are expected to be recurring for 2015; therefore, the Fire Department budget for 2015 is expected to stay the same in comparison to the current fiscal year, with the exception of the purchase of the fire truck.

**CONTACTING THE FIRE DEPARTMENT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Fire Department's finances and to demonstrate the Fire Department's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Gerald Richard, PO Box 911, Napoleonville, LA 70390.

**NAPoleonVILLE VOLUNTEER FIRE DEPARTMENT  
(RECEIVED FROM ASSUMPTION PARISH POLICE JURY)**

**Napoleonville, Louisiana  
STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Due from Other Governments	<u>\$ 102,128</u>
Total current assets	<u>102,128</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>528,056</u>
Total noncurrent assets	<u>528,056</u>
Total assets	<u>630,184</u>
 <b>LIABILITIES</b>	
Current Liabilities:	
Accrued Liabilities	3,611
Current Portion of Capital Lease	<u>37,507</u>
Total current liabilities	41,118
Long-Term Liabilities	
Capital Lease-Fire Truck	<u>159,603</u>
Total Long Term Liabilities	159,603
Total liabilities	<u>200,721</u>
 <b>NET POSITION</b>	
Invested in capital assets, net of related debt	330,946
Unrestricted	<u>98,517</u>
Total net position	<u><u>\$ 429,463</u></u>

The accompanying notes are an integral part of this financial statement.

**NAPoleonVILLE VOLUNTEER FIRE DEPARTMENT  
(RECEIVED FROM ASSUMPTION PARISH POLICE JURY)  
Napoleonville, Louisiana  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position Governmental Unit</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>FUNCTIONS/PROGRAMS</b>				
Governmental activities:				
General government-public safety	194,753	\$ -	\$ 184,132	\$ (10,621)
Total governmental activities	<u>194,753</u>	<u>-</u>	<u>184,132</u>	<u>(10,621)</u>
General Revenues:				
Interest				3,070
Fire insurance rebate				18,532
Miscellaneous				<u>1,402</u>
Total general revenues				<u>23,004</u>
Change in net position				12,383
Net position - January 1, 2014				<u>417,080</u>
Net position - December 31, 2014				<u>\$ 429,463</u>

The accompanying notes are an integral part of this financial statement.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
 (RECEIVED FROM ASSUMPTION PARISH POLICE JURY)  
 Napoleonville, Louisiana  
 BALANCE SHEET  
 GOVERNMENTAL FUND  
 DECEMBER 31, 2014**

**ASSETS**

	<u>General Fund</u>
Due from other governments	\$ 102,128
Total assets	\$ 102,128

**LIABILITIES AND FUND BALANCES**

Liabilities	
Accounts payable and accrued expenses	\$ 666
Total liabilities	666
Fund balance	
Unassigned	101,462
Total fund balance	101,462
Total liabilities and fund balances	\$ 102,128

The accompanying notes are an integral part of this financial statement.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
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 Napoleonville, Louisiana  
 RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 DECEMBER 31, 2014**

Total fund balances - Governmental Funds	\$ 101,462
Amounts reported for Governmental Activities in the Statement of Net Position is different because:	
Capital Assets used in Governmental Activities are not current financial resources and, therefore, are not reported in the fund. Those assets consist of:	
Land, Equipment, Buildings, and Vehicles	1,691,540
Less: Accumulated Depreciation	(1,163,484)
Long term debt is not a current financial resource and, therefore are not reported in the fund. This liability consists of:	
	(197,110)
Interest accrued on long term debt is not a current financial resource and, therefore are not reported in the fund. This liability consists of:	
	<u>(2,945)</u>
Total net position at December 31, 2014 - Governmental Activities	<u><u>\$ 429,463</u></u>

The accompanying notes are an integral part of this financial statement.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
 (RECEIVED FROM ASSUMPTION PARISH POLICE JURY)  
 Napoleonville, Louisiana  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE  
 GOVERNMENTAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>General Fund</u>
<b>REVENUES</b>	
Intergovernmental:	
Fire Protection Grant	\$ 184,132
Fire insurance rebate	18,532
Interest	3,070
Miscellaneous	1,402
<b>Total Revenues</b>	<b>207,136</b>
<b>EXPENDITURES</b>	
Current	
Current Operating	
Public Safety	92,548
Capital Outlay	
Public Safety	511,089
<b>Total Expenditures</b>	<b>603,637</b>
Excess of Revenues over Expenditures	(396,501)
<b>OTHER FINANCING SOURCES (USES)</b>	
Loan Proceeds	197,110
<b>Total Other Financing Sources (Uses)</b>	<b>197,110</b>
<b>Excess of Revenues and Other Sources over Expenditures</b>	<b>(199,391)</b>
<b>Fund balance, beginning of year</b>	<b>300,853</b>
<b>Fund balance, end of year</b>	<b>\$ 101,462</b>

The accompanying notes are an integral part of this financial statement.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
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 Napoleonville, Louisiana  
 RECONCILIATION OF THE GOVERNMENTAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

Excess of Revenue and Other Sources	
Over Expenditures and Other Uses	\$ (396,501)
The Change in Net Position reported for Governmental Activities in the Statement of Activities is different because:	
Governmental funds report capital outlays as expenditures. However in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense. The cost of capital assets recorded in the current period is	511,089
Depreciation expense on capital assets is reported in the Government-wide Financial Statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is	(99,260)
Governmental Funds report debt receipts as income. However, this receipt does not appear in the statement of activities since the receipt creates a new note payable on the statement of net position	(197,110)
Less: Accrued interest on general fund debt	(2,945)
Change in Net Position - Governmental Activities	\$ (184,727)

The accompanying notes are an integral part of this financial statement.

**FIRE PROTECTION GRANT OF  
NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
(PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2014**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

On April 18, 1991, the Assumption Parish Police Jury entered into a grant agreement with Napoleonville Volunteer Fire Department of Assumption Parish. The fire protection grant was for the purpose of acquiring, maintaining, and operating buildings, machines, water tanks, water hydrants, water lines and any other things necessary to provide proper fire prevention and control of the property within the boundaries of the department.

The volunteer Fire Department is a privately created quasi-public corporation that is subject to the grant provisions of its funding agency. The board members are not appointed by the police jury. The volunteer Fire Department is not fiscally dependent on the police jury and the nature and significance of their relationship with the police jury is not such that their exclusion would render the police jury's financial statements incomplete or misleading. Therefore, the volunteer Fire Department is a separate special purpose government.

The accompanying financial statements present information only on the funds maintained by the Fire Department and do not present information on the Police Jury, the general government services provided by that governmental unit, and other governmental units that comprise the Police Jury's reporting entity. Napoleonville Volunteer Fire Department of Assumption Parish has no component units.

The accounting and reporting policies of the Fire Department conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

**Basis of Presentation**

**Government-Wide Financial Statements (GWFS)**

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Fire Department's governmental Activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes are presented as general revenues.

**FIRE PROTECTION GRANT OF  
NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
(PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2014**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fund Accounting**

The Fire Department uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The Fire Department maintains only one fund, classified as a governmental fund. The Governmental fund accounts for the Fire Department's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. The governmental fund of the Fire Department is described below:

1. General Fund – the General Fund, as provided by Louisiana Revised Statute 47:1906, is the principal fund of the Fire Department and accounts for the operation of the Fire Department.

**Basis of Accounting / Measurement Focus**

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**Accrual Basis – Government-Wide Financial Statements (GWFS)**

The Statement of Net Position and the Statement of Activities display information about the Fire Department as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

**Modified Accrual Basis – Fund Financial Statements (FFS)**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are determined and "available" means collectively within the current period or soon enough thereafter to pay liabilities of the current period. The Fire Department recognized Fire protection grant and fire insurance rebate as revenue in the year they are earned. Interest earnings on time deposits are recorded when the time deposits have matured and interest is available. All other revenues are recognized in the period in which they are received. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and the judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

**FIRE PROTECTION GRANT OF  
NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
(PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2014**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Budgets**

The Fire Department adopts an annual budget based on anticipated revenues consistent with generally accepted accounting principles. Annual appropriations of funds are not made. Budgetary accounts are not integrated in the formal accounting system. The budget is prepared on the cash basis of accounting.

**Cash and Cash Equivalents**

For reporting purposes, cash and cash equivalents include cash, demand deposits, and time certificates of deposit. Amounts are classified as cash equivalents if the original maturities are 90 days or less. Under state law, the department may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana and national banks having their principal offices in Louisiana. Further, the department may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**Capital Assets**

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 40 years.

**Equity**

In the GWFS, equity is classified as net position and displayed in three components:

1. Invested in capital assets, net of related debt – Consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
3. Unrestricted net position – All other net position that do not meet the definitions of the first two components.

**FIRE PROTECTION GRANT OF  
NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
(PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**NOTES TO FINANCIAL STATEMENTS  
December 31, 2014**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

Nonspendable – represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – represents balances where constraints have been established by parties outside the District or imposed by law through constitutional provisions or enabling legislation.

Committed – represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority.

Assigned – represents balances that are constrained by the District's intent to be used for specific purposes, but are not restricted nor committed.

Unassigned – represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Department will reduce restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the Department will reduce committed amounts first, followed by assigned amounts, and then unassigned amounts.

**Compensated Absences**

The Fire Department does not have any employees, therefore no entry is made to record compensated absences.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
 (PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**NOTES TO FINANCIAL STATEMENTS  
 December 31, 2014**

**NOTE B – DUE FROM OTHER GOVERNMENTS**

At December 31, 2014, the fire department has cash and cash equivalents and investments being held in the account of the Assumption Parish Police Jury (book balances) totaling \$102,128 as follows:

Demand Deposits	\$10,882
Time Deposits - Investments	<u>91,246</u>
 Total	 <u><u>\$102,128</u></u>

These funds are held in the Assumption Parish Police Jury’s checking and investment accounts. These deposits are stated at cost, which approximates market. Under state laws, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The Police Jury’s funds are secured by federal deposit insurance and pledged securities.

**NOTE D – CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2014, are as follows:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Firefighting Equipment</u>	<u>Total</u>
Cost of Capital Assets, December 31, 2013	\$ 73,625	\$ 782,230	\$ 324,596	\$ 1,180,451
Additions	-	497,110	13,979	511,089
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cost of Capital Assets, December 31, 2014	73,625	1,279,340	338,575	1,691,540
 Accumulated Depreciation				
December 31, 2013	\$ 18,955	\$ 731,519	\$ 313,750	\$ 1,064,224
Additions	2,337	92,137	4,786	99,260
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accumulated Depreciation December 31, 2014	21,292	823,656	318,536	1,163,484
 Capital Assets, Net of Accumulated Depreciation, December 31, 2014	 <u>\$ 52,333</u>	 <u>\$ 455,684</u>	 <u>\$ 20,039</u>	 <u>\$ 528,056</u>

For the year ended December 31, 2014, depreciation expense was \$99,260.

**FIRE PROTECTION GRANT OF  
 NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
 (PROVIDED BY ASSUMPTION PARISH POLICE JURY)**

**NOTES TO FINANCIAL STATEMENTS  
 December 31, 2014**

**NOTE E-LONG TERM DEBT**

The Fire Department records vehicles acquired through capital leases as an asset and an obligation in the accompanying financial statements. The following is a summary of the capital lease obligation transactions for the year ended December 31, 2014:

Capital Lease Obligations Payable at January 1, 2014		-
Additions	\$	197,110
Reductions		-
Capital Lease Obligations Payable at December 31, 2014	\$	197,110

**NOTE E-LONG TERM DEBT-Continued**

The capital lease entered into during 2014 was for the purchase of a fire truck. The department entered into a 5 year lease of \$197,110 at 2.49% interest. The annual requirement to amortize the debt, including 14,965 in interest, is as follows:

2015	\$	42,415
2016		42,415
2017		42,415
2018		42,415
2019		42,415
	\$	212,075

**NOTE F – LITIGATION**

The Fire Department is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to, and destruction of assets; and natural disasters for which the Fire Department carries commercial insurance. The Fire Department is not aware of any pending claims at December 31, 2014.

**REQUIRED SUPPLEMENTARY INFORMATION**

**NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT**  
**Napoleonville, Louisiana**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental:				
Fire Protection Grant	179,216	174,727	\$ 184,132	9,405
Fire Insurance Rebate	18,559	19,634	18,532	(1,102)
Interest			3,070	3,070
Miscellaneous	(9,000)	10,628	1,402	(9,226)
<b>Total Revenues</b>	<u>188,775</u>	<u>204,989</u>	<u>207,136</u>	<u>2,147</u>
<b>EXPENDITURES</b>				
Current				
Current Operating				
Public Safety	188,775	204,989	92,548	112,441
Capital Outlay				
Public Safety	-		511,089	(511,089)
<b>Total Expenditures</b>	<u>188,775</u>	<u>204,989</u>	<u>603,637</u>	<u>(398,648)</u>
Excess of Revenues over Expenditures	-	-	(396,501)	(396,501)
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan Proceeds	-	-	197,110	197,110
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>197,110</u>	<u>197,110</u>
<b>Excess of Revenues and Other Sources Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>(199,391)</u>	<u>(199,391)</u>
<b>Fund balance, beginning of year</b>	<u>300,853</u>	<u>300,853</u>	<u>300,853</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 300,853</u>	<u>\$ 300,853</u>	<u>\$ 101,462</u>	<u>\$ (199,391)</u>

The accompanying notes are an integral part of this financial statement.

**FIRE PROTECTION GRANT OF  
NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT  
(RECEIVED FROM ASSUMPTION PARISH POLICE JURY)  
Napoleonville, Louisiana**

**SCHEDULE OF COMPENSATION , BENEFITS AND OTHER  
PAYMENTS TO AGENCY HEAD  
For the Year Ended December 31, 2014**

Name of Agency Head:            Gerald Richard

Salary	\$ -
Benefits-Insurance	-
Benefits-Retirement	-
Benefits-Other	-
Cell Phone	-
Dues	-
Per Diem	-
Reimbursements	-
Travel	-
Registration Fees	-
Housing	-
Meals	-
	<hr/>
TOTAL	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement

**REPORT AND ACCOMPANYING QUESTIONNAIRE REQUIRED BY  
THE LEGISLATIVE AUDITOR, STATE OF LOUISIANA**

# Waguespack & Gallagher, LLC

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS ADVISORS

Michael J. Waguespack, CPA, PC

Timothy J. Gallagher, CPA, PC

Tia T. Barbera, CPA, PC

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Sarah M. Gallagher, CPA

Elaine T. Waguespack, CPA

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners of  
Napoleonville Volunteer Fire Department  
Napoleonville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Napoleonville Volunteer Fire Department, the Legislative Auditor, State of Louisiana, and applicable state grantor agencies solely to assist the users in evaluating management's assertions about Napoleonville Volunteer Fire Department's compliance with certain laws and regulations during the year ended December 31, 2014, included in the accompanying *Louisiana Attestation Questionnaire*. Management of Napoleonville Volunteer Fire Department is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this 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 fiscal year, by grant and grant year.

The Department received one local grant from the Assumption Parish Police Jury for \$184,132 of which \$184,132 was spent.

2. For each Federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.

All of the items reviewed were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approval from the Treasurer. In addition, each of the transactions was presented in the Treasurer's report at the monthly Board meetings, and at which time was approved by the full Board.

6. For the items selected in procedure 2: For Federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed. There were no instances of non-compliance noted in our testing.

Eligibility

We reviewed the previously listed disbursements for eligibility requirements. There were no instances of non-compliance noted in our testing.

Matching Funds

We reviewed the previously listed disbursements for matching requirements. There were no instances of non-compliance noted in our testing.

Reporting

We reviewed the previously listed disbursements for reporting requirements. There were no instances of non-compliance noted in our testing.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

There were no programs closed out during the year ended December 31, 2014.

4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.

All of the items reviewed were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approval from the Treasurer. In addition, each of the transactions was presented in the Treasurer's report at the monthly Board meetings, and at which time was approved by the full Board.

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Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed. There were no instances of non-compliance noted in our testing.

Eligibility

We reviewed the previously listed disbursements for eligibility requirements. There were no instances of non-compliance noted in our testing.

Matching Funds

We reviewed the previously listed disbursements for matching requirements. There were no instances of non-compliance noted in our testing.

Reporting

We reviewed the previously listed disbursements for reporting requirements. There were no instances of non-compliance noted in our testing.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

There were no programs closed out during the year ended December 31, 2014.

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

\_\_\_\_\_ (Date Transmitted)

Waguespack & Gallagher, LLC

PO Box 250

Napoleonville, LA 70390 (Auditors)

In connection with your review of our financial statements as of December 31, 2014 and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 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 (date of completion/representation).

**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 R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lla/nsf>, to determine whether a non-profit agency is subject to 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**

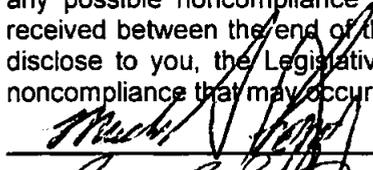
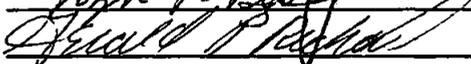
We have resolved all prior-year recommendations and/or comments.

N/A

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 that may occur up to the date of your report.

	Secretary	5/27/15	Date
	Treasurer	5/27/15	Date
	President	5/27/15	Date

# Waguespack & Gallagher, LLC

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS ADVISORS

Michael J. Waguespack, CPA, PC

Timothy J. Gallagher, CPA, PC

Tia T. Barbera, CPA, PC

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Sarah M. Gallagher, CPA

Elaine T. Waguespack, CPA

May 27, 2015

Napoleonville Volunteer Fire Department

Gerald Richard, President

PO Box 911

Napoleonville, LA 70390

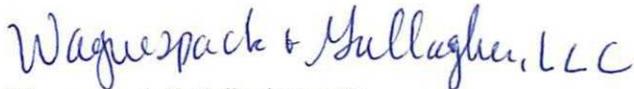
RE: Management letter  
Review Report December 31, 2014

Dear Mr. Richard:

We have performed our review of Napoleonville Volunteer Fire Department for the year ended December 31, 2014, and have applied certain agreed upon procedures. As part of the review, we have the following information to report to you.

1. LA Revised Statutes require that a budget for the fire department be amended if actual revenues are less than budgeted revenues by 5% or more, and/or actual expenditures exceed expenditures by 5% or more. For the year ended December 31, 2014, the fire department failed to amend the budget when the actual expenditures were more than budgeted expenditures by more than the 5% allowed. We recommend that the department institute procedures to ensure the budget is amended whenever actual revenues are less than budgeted revenues and when actual expenditures are greater than budgeted expenditures by more than the 5% allowed.

Sincerely,



Waguespack & Gallagher, LLC

NAPOLEONVILLE VOLUNTEER FIRE DEPARTMENT

PO Box 911

Napoleonville, LA 70390

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May 27, 2015

Louisiana Legislative Auditor  
1600 North Third Street  
Baton Rouge, LA 70804

RE: Napoleonville Volunteer Fire Department  
Review Report – December 31, 2014

The following is our response to the management letter issued to us by the firm of Waguespack & Gallagher, LLC for the year ended December 31, 2014:

Management's Corrective Action Plan

Local Government Budget Act – The Fire Department will institute procedures to ensure that the budget will be amended when required.

Sincerely,



Gerald Richard  
President