

WILMER VOLUNTEER FIRE DEPARTMENT, INC.

ANNUAL COMPARATIVE FINANCIAL STATEMENTS

As of and for the Years Ended December 31, 2011 and 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **NOV 14 2012**

PHIL HEBERT
CERTIFIED PUBLIC ACCOUNTANT
A PROFESSIONAL ACCOUNTING CORPORATION

Wilmer Volunteer Fire Department, Inc.

**Annual Financial Statements
As of and for the Years Ended December 31, 2011 and 2010**

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DATA COLLECTION FORM
FOR REPORTING ON AUDITS OF STATE AND LOCAL GOVERNMENT AND QUASIPUBLIC ENTITIES

OMB Form 0348-0057 may be used as a substitute for this form.		Return To: Legislative Auditor (ereports@lla.state.la.us) or Attn: Engagement Processing Post Office Box 94397 Baton Rouge, Louisiana 70804-9397	
Date Submitted: <u>10/26/12</u> Engagement Cost \$2,500			
1. Fiscal Year Ending Date For This Submission: <u>12/31/11</u>	2. Type of Report: <input type="checkbox"/> Single Audit <input type="checkbox"/> GAO Audit Standards Audit <input type="checkbox"/> Compilation <input checked="" type="checkbox"/> Review/Attestation <input type="checkbox"/> Program Audit <input type="checkbox"/> Other Total Revenues and other sources, all funds \$ 327,499		
3. Audit Period Covered: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Biennial <input type="checkbox"/> Other to		4. Auditee Information:	
a. Auditee Name: Wilmer Volunteer Fire Department, Inc.		a. Firm Name: Phil Hebert, CPA	
b. Street Address:(Number and Street) 22115 Hwy 10		b. Street Address: 600 West Pine St	
c. Mailing Address: (PO No.)		c. Mailing Address: (PO No.) Post Office Box 1151	
d. City, State, Zip: Kentwood, LA 70444		d. City, State, Zip: Ponchatoula, LA 70454	
e. Contact Name: Tommy Schwebel Title: Fire Chief		e. Contact Name: Phil Hebert, CPA Title: President	
f. Telephone: (985) 748-4787 Fax: (985) 747-1657		f. Telephone: (985) 386-5740 Fax: (985) 386-5742	
g. Email (Optional):		g. Email (Optional): hr_phil@bellsouth.net	

Component Units Included Within the Report and for Which No Separate Report Will Be Issued:

If there are no modifications to the auditor's financial opinion, no reported deficiencies in internal control, no reported instances of noncompliance, and no management letter, and no prior year findings, check this box; and do not complete the rest of the form.

6. FINANCIAL STATEMENTS

a. Type of Audit Report on the Financial Statements: Not Applicable
 Unqualified Opinion Qualified Opinion Adverse Opinion Disclaimer of Opinion

b. Is a 'Going Concern' Explanatory Paragraph Included in the Audit Report? Yes No

c. Do Any of the Funds Have Deficit Fund Balances? Yes No

7. INTERNAL CONTROL

Do the comments on internal control include: material weaknesses other conditions

8. Compliance:

Do the comments on compliance include: criminal acts fraud and abuse not applicable

9. CURRENT YEAR MANAGEMENT LETTER (Finding Caption and NO.)

N/A	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable

10. SCHEDULE OF CURRENT YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and NO)

Open Meetings	\$ _____	Resolved	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	\$ _____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	\$ _____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	\$ _____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	\$ _____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable

Do any findings address nepotism, ethics violations, or related party transactions? Yes No

Do any findings address violation of bond indenture covenants? Yes No

11. SCHEDULE OF PRIOR YEAR FINDINGS/QUESTIONED COSTS/MANAGEMENT LETTER COMMENTS (Finding/Comment Caption and No.)

N/A	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable
_____	Resolved	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> No Longer Applicable

CPA SIGNATURE Phil Hebert Date 10-26-12

AUDITEE SIGNATURE Tommy Schwebel Date 10-26-12

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Certified Public
Accountants

Independent Accountant's Review Report

To the Board of Directors
Wilmer Volunteer Fire Department, Inc.
Kentwood, Louisiana 70444

I have reviewed the accompanying statement of financial position of Wilmer Volunteer Fire Department, Inc. (a nonprofit corporation) as of December 31, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. 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, I do not express such an opinion.

Management is responsible for the preparation and fair 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.

My 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 me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the 2011 financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The financial statements of Wilmer Volunteer Fire Department, Inc. as of December 31, 2010, were compiled by other accountants whose report dated April 27, 2011, stated that they have not audited or reviewed the 2010 financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Phil Hebert

Phil Hebert, CPA
A Professional Accounting Corporation

October 24, 2012

Wilmer Volunteer Fire Department, Inc.
Comparative Statement of Financial Position
As of December 31, 2011 and 2010

Assets	<u>2011</u>	<u>2010</u>
Current Assets:		
Cash and Cash Equivalents	\$ 285,732	\$ 262,856
Receivables:		
Tangipahoa Parish Rural Fire District Number Two Ad Valorem and State Revenue Sharing	104,064	81,256
Prepaid Insurance	3,962	-
Total Current Assets	<u>393,758</u>	<u>344,112</u>
Property, Plant and Equipment		
Property, Plant and Equipment, Net	79,756	90,273
Total Property, Plant and Equipment	<u>79,756</u>	<u>90,273</u>
Total Assets	<u>\$ 473,514</u>	<u>\$ 434,385</u>
Liabilities and Net Assets		
Current Liabilities:		
Accounts Payable	\$ 5,803	\$ 5,681
Other Accrued Payables	15,767	15,316
Total Current Liabilities	<u>21,570</u>	<u>20,997</u>
Net Assets		
Unrestricted	451,944	413,388
Total Net Assets	<u>451,944</u>	<u>413,388</u>
Total Liabilities and Net Assets	<u>\$ 473,514</u>	<u>\$ 434,385</u>

See accompanying notes and independent accountant's review report.

Wilmer Volunteer Fire Department, Inc.
Comparative Statement of Activities
For the Years Ended December 31, 2011 and 2010

	2011	2010
Operating Revenues		
Public Support		
Tangipahoa Parish Rural Fire Protection		
District Number Two Contract Fees:		
Ad Valorem Taxes	\$ 270,862	\$ 227,574
State Revenue Sharing	37,805	27,381
Fire Insurance Premium Rebate	16,782	12,562
Supplemental Pay	-	500
Investment Income	782	596
Other Revenues	1,268	2,448
Total Operating Revenues	327,499	271,061
Operating Expenses		
Program Services - Firefighting	212,116	136,200
Management and General	33,096	27,116
Total Operating Expenses	245,212	163,316
 Change in Net Assets From Operations	 82,287	 107,745
Other Financing Uses		
Transfers Out to Tangipahoa Rural Fire Protection		
District Number Two	43,731	83,263
Total Other Financing Uses	43,731	83,263
 Change in Net Assets	 38,556	 24,482
Total Net Assets, Beginning	413,388	388,906
Total Net Assets, Ending	\$ 451,944	\$ 413,388

See accompanying notes and independent accountant's review report.

Wilmer Volunteer Fire Department, Inc.
Comparative Statement of Functional Expenses
For the Years Ended December 31, 2011 and 2010

	2011			2010		
	Fire Fighting	Mgmt. and General	Total	Fire Fighting	Mgmt. and General	Total
Expenses						
Salaries and Wages	\$ 118,257	\$ -	\$ 118,257	\$ 52,421	\$ -	\$ 52,421
Payroll Taxes	11,381	-	11,381	5,755	-	5,755
Dues and Subscriptions	-	14,335	14,335	-	9,765	9,765
Depreciation	10,517	-	10,517	10,518	-	10,518
Fuel	11,901	-	11,901	8,711	-	8,711
Insurance	10,548	-	10,548	16,112	-	16,112
Professional Fees	-	9,575	9,575	-	10,061	10,061
Repairs	24,186	-	24,186	18,766	-	18,766
Supplies	8,841	1,235	10,076	12,099	1,594	13,693
Telephone	3,622	1,207	4,829	3,421	1,140	4,561
Utilities	5,794	1,931	7,725	4,571	1,523	6,094
Other	7,069	4,813	11,882	3,826	3,033	6,859
Total Expenses	\$ 212,116	\$ 33,096	\$ 245,212	\$ 136,200	\$ 27,116	\$ 163,316

See accompanying notes and independent accountant's review report.

Wilmer Volunteer Fire Department, Inc.

**Comparative Statement of Cash Flows
For the Years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities		
Change in Net Assets from Operations	\$ 82,287	\$ 107,745
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	10,517	10,518
Changes in Operating Assets and Liabilities		
(Increase) Decrease in Receivables	(22,808)	9,893
(Increase) in Other Assets	(3,962)	-
Increase in Accounts Payable	122	1,874
Increase in Accrued Payables	451	1,857
Net Cash Provided by Operating Activities	<u>66,607</u>	<u>131,887</u>
Cash Flows From Noncapital Financing Activities		
Transfers to Tangipahoa Parish Rural Fire Protection District Number Two for:		
Principal Payments for Loan for Fire Truck (See Note 6)	(30,155)	(29,970)
Interest Payments on Loan for Fire Truck (See Note 6)	(7,475)	(8,447)
Purchases of Property	(6,101)	(44,846)
Net Cash Used by Noncapital Financing Activities	<u>(43,731)</u>	<u>(83,263)</u>
Net Cash Increase in Cash and Cash Equivalents	22,876	48,624
Cash and Cash Equivalents, Beginning of Year	262,856	214,232
Cash and Cash Equivalents, End of Year	<u>\$ 285,732</u>	<u>\$ 262,856</u>

See accompanying notes and independent accountant's review report.

Wilmer Volunteer Fire Department, Inc.
Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

Introduction

The Wilmer Volunteer Fire Department, Inc. (the Organization) is a Louisiana nonprofit corporation. Its mission is to operate exclusively as a volunteer fire fighting organization to provide fire protection and emergency response services in the Community of Wilmer and surrounding rural areas. The Wilmer Volunteer Fire Department, Inc. is one of the fire departments located in Tangipahoa Parish, that comprise the Tangipahoa Parish Rural Fire Protection District Number Two. Tangipahoa Parish Rural Fire Protection District Number Two receives ad valorem taxes, state revenue sharing and revenue from a two percent fire insurance rebate, which are in turn distributed with any interest earned, to the individual fire departments in Tangipahoa Parish in accordance with annual agreements.

1. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements have been prepared on an accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

B. Basis of Presentation and Restrictions on Net Assets

The Organization is required to report information regarding its financial position and activities according to the three classes of net assets listed below. The fire department does not use fund accounting.

Revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets that are not subject to any donor-imposed stipulations.
- Temporarily restricted net assets - Net assets subject to donor-imposed restrictions on their use that may be met either by actions of the Organization or the passage of time.
- Permanently restricted net assets - Net assets subject to donor-imposed or other legal restrictions requiring that the principal be maintained permanently by the Organization. Generally, the donors permit the Organization to use all or part of the income earned for either general or donor-specified purposes.

Wilmer Volunteer Fire Department, Inc.
Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

C. Comparative Information

The financial statements are presented with certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2010, from which the summarized information was derived.

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements. Estimates and assumptions may also affect disclosure of contingent assets and liabilities at the date of the financial statement, and the reported amounts of revenues and expenses. Actual results could differ from management's estimates.

E. Cash and Cash Equivalents

The Organization's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

F. Investments

Investments, when held, are reported at fair value. Investment income classified as operating revenue consists of interest and dividend income on investments and gains approved for use in operations. All other realized and unrealized gains or losses are classified as nonoperating activity and are available to support operations in future years and to offset potential market declines. Investments classified as current are available for operations in the next fiscal year.

Various methods and assumptions are used to estimate the fair value of each class of financial instruments, when held. Cash and cash equivalents are valued at their carrying amount due to their short maturities. Investments are reported at fair value based on quoted market prices. Debt is valued at rates currently available to the Organizations for issuances with similar terms and remaining maturities.

G. Inventories and Prepaid Items

All inventories, when held, are valued at cost using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Wilmer Volunteer Fire Department, Inc.
Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

H. Property and Equipment

Equipment purchased with funds appropriated and distributed by the Tangipahoa Parish Rural Fire Protection District Number Two remains the property of the Tangipahoa Parish Rural Fire Protection District Number Two and is not recorded in the accompanying financial statements. Equipment held on site by the Organization that is owned by the Tangipahoa Parish Rural Fire Protection District Number Two is tagged with a Tangipahoa Parish Rural Fire Protection District Number Two inventory tag.

Purchases of equipment and other property having a unit cost per established guidelines and a useful life of three or more years are capitalized at cost when purchased with funds other than those appropriated by the Tangipahoa Parish Rural Fire Protection District Number Two. Donated assets are capitalized at the estimated fair value at date of receipt. These assets are depreciated on a straight line basis. If incurred, interest expense incurred during a period of construction, less related interest income earned on proceeds of tax-exempt borrowings, would be capitalized. Property under capital leases is amortized over the lease term. Any gain or loss on sale of equipment and other property is reported as other revenues on the statement of activities. The Organization maintains a threshold level of \$500 or more for capitalization of property and equipment.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

I. Revenue Recognition

Public support consists primarily of contract payments received from the Tangipahoa Parish Rural Fire Protection District Number Two in the form of ad valorem taxes, state revenue sharing funds and fire insurance rebate funds. The Organization receives a percentage of the total funds available to the Tangipahoa Parish Rural Fire Protection District Number Two based on a formula contained in the original contract agreed to by all participating fire departments in Tangipahoa Parish. The ad valorem tax allocation is established in January of each year and disbursed by the Tangipahoa Parish Rural Fire Protection District Number Two on a quarterly basis. State revenue sharing and fire insurance rebate funds are disbursed to participating fire departments by the Tangipahoa Parish Rural Fire Protection District Number Two as the funds become available. As a result, ad valorem taxes and interest income is recognized as income in the period earned. State revenue sharing funds, fire insurance rebate funds and all other revenues are recognized as income when received.

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received or promised. Conditional contributions are recorded when the conditions have been met. Contributions are considered to be unrestricted unless specifically restricted by the donor.

The Organization reports contributions in the temporarily or permanently restricted net asset class if they are received with donor stipulations as to their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are released and reclassified to unrestricted net assets in the consolidated statement of activities. Donor-restricted contributions are initially reported in the temporarily restricted net asset class, even if it is anticipated such restrictions will be met in the current reporting period.

Wilmer Volunteer Fire Department, Inc.
Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

Gains and losses on investments and other assets and liabilities are reported as increases and decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

J. Contributed Services and Materials

Typically contributed services are reported at fair value in the financial statements for voluntary donations of services when those services (1) create or enhance non-financial assets or (2) require specialized skills provided by individuals possessing those skills and are services which would be typically purchased if not provided by donation. However, since all of the Organization's program services are provided by volunteers and there is no objective basis available to measure the value of such services, no amounts have been included in the financial statements for donated services.

Donated materials are recorded at their fair value at the date of the gift. The Organization does not imply time restrictions for gifts of long-lived assets. As a result, in the absence of donor-imposed restrictions, gifts of long-lived assets are reported as unrestricted revenue.

K. Income Taxes

The Wilmer Volunteer Fire Department, Inc. is a not-for-profit social welfare organization. The Organization is exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code, except on net income derived from unrelated business activities. Therefore, no provision is made for income taxes.

2. Cash and Cash Equivalents

Cash and cash equivalents book balances at December 31, 2011 and 2010 were as follows:

	<u>2011</u>	<u>2010</u>
Interest Bearing Demand Deposits	\$ 285,732	\$ 262,856
	<u>\$ 285,732</u>	<u>\$ 262,856</u>

Bank balances at December 31, 2011 totaled \$289,065 of which \$250,000 was protected by Federal Deposit Insurance Corporation (FDIC) insured coverage. The remaining balance of \$39,065 was not protected or insured.

Wilmer Volunteer Fire Department, Inc.
Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

3. Property and Equipment

The cost and accumulated depreciation of fixed assets at December 31, 2011 and 2010 were as follows:

	2011	2010
Machinery and Equipment	\$ 157,758	\$ 157,758
Total Cost of Assets Placed in Service	157,758	157,758
Less Accumulated Depreciation	(78,002)	(67,485)
Property and Equipment, Net	\$ 79,756	\$ 90,273

Depreciation expense for the fiscal year ending December 31, 2011 totaled \$10,517.

4. Contracts with Tangipahoa Parish Rural Fire Protection District Number Two

The Wilmer Volunteer Fire Department entered into an agreement with the Tangipahoa Parish Rural Fire Protection District Number Two to provide fire protection and emergency response services in the unincorporated rural areas in the community of Wilmer. Funding is provided by an ad valorem tax and related state revenue sharing. Under the terms of the contract, the funds shall be expended solely for the purposes of operating and maintaining, and/or the purchasing of equipment or supplies and for the payment of salaries if approved by the Tangipahoa Parish Rural Fire Protection District Number Two.

5. Co-operative Endeavor Agreement

The Wilmer Volunteer Fire Department, Inc. obtained a 90 percent grant to purchase a 2005 Freightliner Model M-2 pumper-tanker truck in 2005. The Wilmer Volunteer Fire Department received a commitment of funds from the Tangipahoa Parish Rural Fire Protection District Number Two of Louisiana to pay for a ten percent match to purchase the truck and other associated expenses. The fire truck, according to the terms of the grant, was purchased in the name of the Wilmer Volunteer Fire Department, Inc. and will be utilized for and in the Wilmer Fire District. However, it is recorded as an asset on the books of the Tangipahoa Parish Rural Fire Protection District Number Two. Under the terms of the agreement, the Organization obtained usage of this truck in providing fire protection services within its Wilmer Fire District for at least a five year term for a one time payment of \$32,700.

6. Debt Service Agreement

Wilmer Fire Department acquired a Class A pumper fire truck in 2007 under a loan agreement for \$170,000 wherein principal and interest payments on the loan are made through the Tangipahoa Parish Rural Fire Protection District Number Two. Transfers out of the Wilmer Volunteer Fire Department for debt service payments of principal and interest are made from the Organization's regular appropriations on behalf of the liability on the books of the Tangipahoa Parish Rural Fire Protection District Number Two for the asset utilized by the Wilmer Volunteer Fire Department. The asset is on the financial statements of the Tangipahoa Parish Rural Fire Protection District Number Two.

Wilmer Volunteer Fire Department, Inc.
Notes to the Financial Statements
As of and for the Year Ended December 31, 2011

In 2009, Wilmer Volunteer Fire Department acquired a rescue service truck for \$92,865 under a similar loan agreement wherein principal and interest payments on the loan are made through the Tangipahoa Parish Rural Fire Protection District Number Two. The asset is on the financial statements of the Tangipahoa Parish Rural Fire Protection District Number Two.

For the year ended December 31, 2011, transfers for principal and interest totaled \$30,155 and \$7,475 respectively.

Schedule of expected future principal payments at December 31, 2011

Principal Payments Due Date in:

Certificate of Indebtedness

	<u>2006</u>	<u>2009</u>	<u>Total</u>
2012	\$ 19,000	\$ 12,655	\$ 31,655
2013	19,000	13,180	32,180
2014	20,000	13,725	33,725
2015	21,000	14,295	35,295
2016	22,000	14,885	36,885
	<u>\$ 101,000</u>	<u>\$ 68,740</u>	<u>\$ 169,740</u>

7. Concentrations

During the year ended December 31, 2011, \$325,449, or 99.3%, of the Department's gross revenues were derived from appropriations from the Tangipahoa Parish Rural Fire Protection District No. 2.

8. Contingent Liabilities

At December 31, 2011, the Organization was not involved in any outstanding litigation or claims.

9. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, October 24, 2012, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

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Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors
Wilmer Volunteer Fire Department, Inc.
Kentwood, Louisiana

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of Wilmer Volunteer Fire Department, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Wilmer Volunteer Fire Department, Inc.'s compliance with certain laws and regulations during the year ended December 31, 2011 included in the accompanying Louisiana Attestation Questionnaire. Management of Wilmer Volunteer Fire Department, Inc. 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, I make no representation regarding the sufficiency of the procedures described below either for the purpose 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.

Wilmer Volunteer Fire Department, Inc. had the following local awards at December 31, 2011.

Tangipahoa Parish Rural Fire District No. 2	\$ 325,449
Total	<u>\$ 325,449</u>

2. For each federal, state, and local award, randomly select six 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, trace 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.

Phil Hebert, CPA

A PROFESSIONAL ACCOUNTING CORPORATION

4. For the items selected in Procedure 2, determine if the six disbursements are properly coded to the correct fund and general ledger account.

All payments were properly coded to the correct fund and general ledger account.

5. For the items selected in Procedure 2, determine whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements were properly approved.

6. For the items selected in Procedure 2: For federal awards, determine 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 the state and local awards, determine whether the disbursements comply with the grant agreement, relating to:

Activities allowed or unallowed

All local award disbursements complied with the allowability requirements.

Eligibility

There are no eligibility requirements for local awards.

Reporting

There are no reporting requirements for local awards.

7. For the programs selected for testing in Procedure 2 that had been closed out during the period under review, compare the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

There are no close out reports for awards during the period.

Open Meetings

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

Wilmer Volunteer Fire Department, Inc. did post the required notice of each meeting and the accompanying agenda as an open meeting as required by LSA-RS 42:11 through 42:28 (the open meetings law).

Phil Hebert, CPA

A PROFESSIONAL ACCOUNTING CORPORATION

Budget

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

A comprehensive budget was submitted to the Tangipahoa Parish Rural Fire District No. 2.

Prior Comments and Recommendations

10. Review any prior-year suggestions, recommendation, and/or comments to determine the extent to which such matters have been resolved.

The prior year report did not include any prior-year suggestions, recommendations, and/or comments.

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

This report is intended solely for the use of management of Wilmer Volunteer Fire Department, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Phil Hebert

Phil Hebert, CPA
A Professional Accounting Corporation

October 24, 2012

Wilmer Volunteer Fire Department

Schedule of Current Year Findings and Responses For the Year Ended December 31, 2011

Open Meetings

Criteria:

Louisiana Revised Statute 42:19 states that all public bodies, except the legislature and its committees and subcommittees, shall give written public notice of their regular, special, or rescheduled meeting no later than twenty-four hours before the meeting. Such notice shall include the agenda, date, time, and place of the meeting. Written public notice shall include, but need not be limited to posting a copy of the notice at the principal office of the public body holding the meeting, or if no such office exists, at the building in which the meeting is to be held; or by publication of the notice in an official journal of the public body no less than twenty-four hours before the meeting.

Condition:

Wilmer Volunteer Fire Department, Inc. did not give written public notice of their meetings.

Cause:

Management was not aware of the statute.

Effect:

Wilmer Volunteer Fire Department, Inc. was not in compliance with the public meetings law.

Recommendation:

I recommend Wilmer Volunteer Fire Department, Inc. post a written public notice of their regular, special, or rescheduled meeting no later than twenty-four hours before the meeting. The notice should include the agenda, date, time, and place of the meeting. The written public notice should be posted at Wilmer Volunteer Fire Department, Inc. or at the building in which the meeting is to be held.

Management's Response:

Management became aware of the statute in 2012 and began posting the agendas for each meeting. Responsible party is Tommy Schwebel, Fire Chief.

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

Dear Chief Executive Officer:

Attached is the Louisiana Attestation Questionnaire that is to be completed by you or your staff. This questionnaire is a required part of the review/attestation engagement of Louisiana quasi-public agencies. Upon completion, the questionnaire must be presented to and adopted by the governing body, if any, of your organization by means of a formal resolution in an open meeting. The chief executive officer of a quasi-public agency without a governing body should sign the document, in lieu of such a resolution.

The completed questionnaire and a copy of the adoption instrument, if appropriate, **must be given to the Independent certified public accountant at the beginning of the engagement.** The CPA will, during the course of his engagement, perform certain agreed-upon procedures to the responses in the questionnaire. It is not necessary to return the questionnaire to my office.

Certain portions of the questionnaire may not be applicable to your organization. In such cases, it is appropriate to mark the representation "not applicable." However, you must respond to each applicable representation. A 'yes' answer indicates that you have complied with the applicable law or regulation. A 'no' answer to any representation indicates a possible violation of law or regulation and, as such, should be fully explained. These matters will be reviewed by the independent CPA during the course of his engagement. Please feel free to attach a further explanation of any representation.

Your cooperation in this matter will be greatly appreciated.

Sincerely,

Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor

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.

<u>Barry L. McDaniel</u>	Secretary	<u>10/8/12</u>	Date
<u>David R. Bantley</u>	VICE-PRESIDENT Treasurer	<u>10/8/12</u>	Date
<u>Jimmy Schuchel</u>	President	<u>10-9-12</u>	Date