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REPORT
TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
JUNE 30, 2005 AND 2004

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 1-11-2006

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.

INDEX

JUNE 30, 2005 AND 2004

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT.....	1 - 2
FINANCIAL STATEMENTS:	
Statements of Financial Position - Cash Basis.....	3
Statements of Activities - Cash Basis.....	4
Notes to Financial Statements.....	5 - 11
SUPPLEMENTARY INFORMATION:	
Statements of Functional Expenses - Cash Basis.....	12 - 13
Statements of Revenue Collected and Expenditures Paid - Cash Basis - Special Fund.....	14 - 15
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON A FINANCIAL STATEMENT AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS.....	16 - 17
SUMMARY SCHEDULE OF FINDINGS.....	18



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INDEPENDENT AUDITOR'S REPORT

August 12, 2005,
Except for Note 8,
as to which the date
is August 29, 2005

Board of Directors
Terrytown Fifth District Volunteer Fire Department, Inc.
341 Heritage Avenue, P. O. Box 1231
Gretna, LA 70053

We have audited the accompanying statements of financial position - cash basis of the Terrytown Fifth District Volunteer Fire Department, Inc. as of June 30, 2005 and 2004 and the related statements of activities - cash basis for the years then ended. These financial statements are the responsibility of the Fire Department's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the Fire Department prepares its financial statements on the cash basis of accounting. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the statements mentioned above present fairly the financial position of the Terrytown Fifth District Volunteer Fire Department, Inc. as of June 30, 2005 and 2004, and its changes in net assets for the years then ended on the basis of accounting described in Note 1.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 12-15 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 12, 2005 on our consideration of the Fire Department's internal control over financial reporting and our tests of its compliance with laws and regulations. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Duplaxell, Hapman, Hogan & McNeil LLP

TERRYTOWN FIFTH DISTRICT VOLUNTEER FIRE DEPARTMENT, INC.
STATEMENTS OF FINANCIAL POSITION - CASH BASIS
JUNE 30, 2005 AND 2004

ASSETS

	<u>2005</u>	<u>2004</u>
CURRENT ASSETS:		
Cash in banks and on hand (Notes 2 and 7)	\$ 384,234	\$ 324,846
Cash in savings accounts and short term investments (Notes 3 and 7)	<u>814,773</u>	<u>1,023,324</u>
Total current assets	<u>1,199,007</u>	<u>1,348,170</u>
PROPERTY AND EQUIPMENT: (Note 1)		
Land	33,928	33,928
Buildings and improvements	1,221,737	1,221,737
Machinery and equipment	347,082	299,843
Furniture and fixtures	<u>116,647</u>	<u>116,169</u>
	1,719,394	1,671,677
Less accumulated depreciation	<u>1,324,970</u>	<u>1,265,561</u>
Total property and equipment	<u>394,424</u>	<u>406,116</u>
OTHER ASSETS:		
Meter deposits	75	75
Investments (Note 3)	<u>200,488</u>	<u>122,568</u>
Total other assets	<u>200,563</u>	<u>122,643</u>
TOTAL ASSETS	\$ <u>1,793,994</u>	\$ <u>1,876,929</u>

LIABILITIES AND NET ASSETS

LIABILITIES	\$ -	\$ -
NET ASSETS: (Note 1)		
Unrestricted	<u>1,793,994</u>	<u>1,876,929</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>1,793,994</u>	\$ <u>1,876,929</u>

See accompanying notes.

TERRYTOWN FIFTH DISTRICT VOLUNTEER FIRE DEPARTMENT, INC.
 STATEMENTS OF ACTIVITIES - CASH BASIS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
UNRESTRICTED NET ASSETS:		
Revenue: (Note 1)		
Jefferson Parish millage	\$ 1,500,000	\$ 1,380,000
Fire insurance rebate	80,764	64,722
Investment return (Note 3)	25,598	12,094
Voluntary contributions	43,928	46,797
Dues - members	530	525
Social fund income	8,543	4,438
Ladies auxiliary	8,721	10,157
Vice President's account	6,645	4,680
Miscellaneous income	15,194	11,642
Total revenue	<u>1,689,923</u>	<u>1,535,055</u>
Expenses:		
Administration (Pages 12 and 13)	51,544	49,693
Firefighting (Pages 12 and 13)	1,697,931	1,522,787
Fundraising (Pages 12 and 13)	23,383	18,156
Total expenses	<u>1,772,858</u>	<u>1,590,636</u>
DECREASE IN UNRESTRICTED NET ASSETS	(82,935)	(55,581)
NET ASSETS - BEGINNING OF YEAR	<u>1,876,929</u>	<u>1,932,510</u>
NET ASSETS - END OF YEAR	<u>\$ 1,793,994</u>	<u>\$ 1,876,929</u>

See accompanying notes.

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

ORGANIZATION:

Terrytown Fifth District Volunteer Fire Department, Inc. (the Fire Department) was organized to provide the citizens in the Fifth Fire Protection District (which includes Terrytown and adjoining unincorporated portions of Jefferson Parish) with fire protection and related services and facilities. The Fire Department is under contract with Jefferson Parish to provide these services. The majority of the Fire Department's revenue is derived from this contract.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A summary of the Fire Department's significant accounting policies applied in the preparation of the accompanying financial statements follows:

Basis of Accounting:

The Fire Department prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, these financial statements are not intended to present financial position, results of operations and changes in net assets and cash flows in conformity with accounting principles generally accepted in the United States of America.

Revenue:

Under the agreement with Jefferson Parish, the Parish pays the Fire Department monthly installments which represent the net proceeds of millage levied annually on the assessed valuation of property in the Fifth Fire Protection District.

Property, Equipment and Depreciation:

Property and equipment, consisting of fire stations and residences, furniture, fixtures and equipment, are carried at cost and are depreciated using the straight-line method over their estimated useful lives ranging from five to eighteen years. The Fire Department capitalizes property and equipment purchases over \$1,000 and expenses those purchases under \$1,000. Depreciation expense for the years ending June 30, 2005 and 2004 was \$75,283 and \$70,937, respectively.

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Property, Equipment and Depreciation: (Continued)

Property and equipment does not include fire trucks and vehicles donated by the Fire Department to Jefferson Parish. The Fire Department receives subsidies from Jefferson Parish for the purchase of fire trucks. The trucks are purchased by the Fire Department and donated to the Parish. Historically, the cost of the fire trucks donated has been offset against the subsidies provided by the Parish. The vehicles were purchased with the millage revenue provided by the Parish. Jefferson Parish provides insurance on the fire trucks and vehicles.

During the year ended June 30, 2005, the Fire Department donated a truck with a cost of \$32,118 to Jefferson Parish. The cost was funded with millage revenue.

For the years ended June 30, 2005 and 2004, total purchases of property and equipment capitalized in these financial statements were \$63,591 and \$16,240, respectively.

Financial Statement Presentation:

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Fire Department is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of June 30, 2005 and 2004, the Fire Department had only unrestricted net assets.

The statements of activities present expenses of the Fire Department's operations functionally between program services for firefighting and administrative and general. Those expenses which cannot be functionally categorized are allocated between functions based upon management's estimate of usage applicable to conducting those functions.

Donated Services:

No amounts have been reflected in the financial statements for donated services. Donated services were not recorded because the value of these services was not readily determinable. However, a substantial number of volunteers have donated significant amounts of their time in the Fire Department's program services.

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Investments:

The Fire Department follows the recommendations of Statement of Financial Accounting Standards No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under Statement No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

2. CASH:

Deposits are carried at cost. All accounts are interest bearing. Funds deposited from millage income are designated as "special" and can be disbursed only for operating expenses of the Fire Department.

Following is a schedule of cash balances in financial institutions for the years ending June 30, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Petty cash	\$ 650	\$ 750
Hibernia National Bank:		
Special account	237,135	168,347
Payroll account – special	40,649	40,205
Regular	5,614	9,487
Social	16,270	16,210
Whitney National Bank:		
Eagle account	75,520	81,640
Gulf Coast Bank and Trust:		
Ladies auxiliary account	<u>8,396</u>	<u>8,207</u>
Total	<u>\$ 384,234</u>	<u>\$ 324,846</u>

3. INVESTMENTS:

The Fire Department invests in certificates of deposit held by financial institutions and other investments held by Merrill Lynch. All investments are carried at fair value. Following is a schedule of the investments for the years ending June 30, 2005 and 2004:

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

3. INVESTMENTS: (Continued)

	<u>2005</u>	<u>2004</u>
<u>Maturity within one year</u>		
Merrill Lynch - CMA Money Account	\$ 14,991	\$ 23,355
<i>Fifth District Homestead:</i>		
Savings account (0.995% interest rate)	15,543	15,389
Certificate of deposit (matures 12-06-05; 2.978% interest rate)	23,193	22,776
Certificate of deposit (matures 09-24-05; 2.300% interest rate)	60,000	60,000
<i>Regions Bank:</i>		
Certificate of deposit (matures 12-16-05; 2.771% interest rate)	20,000	20,000
Certificate of deposit (matures 06-06-06; 3.111% interest rate)	78,563	78,563
<i>Gulf Coast Bank:</i>		
Certificate of deposit (matures 07-20-05; 2.600% interest rate)	82,468	82,468
<i>Whitney National Bank:</i>		
Certificate of deposit (matures 01-01-06; 1.15% interest rate)	47,390	47,390
<i>Bank One:</i>		
Certificate of deposit (matures 04-03-05; 0.65% interest rate)	--	20,000
Certificate of deposit (matures 04-03-06; 2.570% interest rate)	20,000	--
<i>Statewide Bank (formerly Algiers Homestead Association):</i>		
Certificate of deposit (matures 11-24-05; 2.280% interest rate)	27,522	27,522
Certificate of deposit (matures 12-11-05; 2.280% interest rate)	45,526	45,526
Certificate of deposit (matures 11-29-05; 2.280% interest rate)	25,000	25,000
<i>Eureka Homestead:</i>		
Certificate of deposit (matures 09-30-05; 2.436% interest rate)	20,000	20,000
Certificate of deposit (matures 12-20-05; 1.955% interest rate)	58,252	58,252
<i>AmSouth Bank:</i>		
Certificate of deposit (matures 12-14-04; 0.90% interest rate)	--	94,249
<i>Iberia Bank:</i>		
Certificate of deposit (matures 10-20-04; 1.000% interest rate)	--	45,000
Certificate of deposit (matures 12-16-05; 2.180% interest rate)	20,000	20,000
<i>Bank of Louisiana:</i>		
Certificate of deposit (matures 11-12-04; 0.65% interest rate)	--	75,000
<i>Fidelity Homestead:</i>		
Certificate of deposit (matures 08-26-05; 2.130% interest rate)	35,000	35,000
<i>Mississippi River Bank:</i>		
Certificate of deposit (matures 12-16-05; 2.000% interest rate)	20,000	20,000
<i>First American Bank:</i>		
Certificate of deposit (matures 09-26-05; 2.75% interest rate)	50,000	50,000
Certificate of deposit (matures 12-11-05; 2.25% interest rate)	16,096	16,097
<i>ASI Federal Credit Union:</i>		
Certificate of deposit (matures 01-10-06; 0.750% interest rate)	75,255	75,102

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

3. INVESTMENTS: (Continued)

	<u>2005</u>	<u>2004</u>
Hibernia Bank:		
Certificate of deposit (matures 11-05-05; 1.750% interest rate)	\$ 45,000	\$ 45,000
FFSB of California:		
Certificate of deposit (matures 09-07-05; 2.00% interest rate)	14,955	--
GNMA (matures 2005; 7.25% interest rate)	14	1,635
GNMA (matures 2006; 7.25% interest rate)	<u>5</u>	<u>--</u>
Total maturity within one year	<u>\$ 814,773</u>	<u>\$ 1,023,324</u>

Maturity over one year

Iberia Bank:		
Certificate of deposit (matures 07-22-06; 3.200 interest rate)	\$ 45,000	\$ --
Hapaolim Bank:		
Certificate of deposit (matures 03-25-19; 4.06% interest rate)	11,820	11,428
FHLMC (matures 2033; 5.00% interest rate)	19,773	17,753
FNMA (matures 2008; 3.51% interest rate)	19,925	19,943
FNMA (matures 2014; 4.00% interest rate)	11,981	11,756
FNMA (matures 2018; 4.99% interest rate)	12,003	11,917
FNMA (matures 2028; 6.50% interest rate)	1,599	2,330
FNMA (matures 2009; 3.02% interest rate)	19,825	--
FNMA (matures 2012; 4.01% interest rate)	14,939	--
FNMA (matures 2031; 6.00% interest rate)	11,177	--
GNMA (matures 2006; 7.25% interest rate)	--	64
GNMA (matures 2017; 7.00% interest rate)	928	1,232
GNMA (matures 2022; 7.50% interest rate)	731	1,237
GNMA (matures 2022; 7.00% interest rate)	1,660	3,538
GNMA (matures 2023; 6.50% interest rate)	2,730	3,407
GNMA (matures 2023; 6.00% interest rate)	3,298	4,209
GNMA (matures 2023; 7.00% interest rate)	1,745	2,600
GNMA (matures 2024; 6.50% interest rate)	6,246	8,886
GNMA (matures 2028; 6.00% interest rate)	10,989	13,870
GNMA (matures 2029; 6.00% interest rate)	<u>4,119</u>	<u>8,398</u>
Total maturity over one year	<u>\$ 200,488</u>	<u>\$ 122,568</u>

The following schedule summarizes the investment return and its classification in the statements of activities for the years ended June 30, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Interest income	\$ 24,062	\$ 17,592
Net realized and unrealized gains (losses)	<u>1,536</u>	<u>(5,498)</u>
Total investment return	<u>\$ 25,598</u>	<u>\$ 12,094</u>

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

4. INCOME TAXES:

The Fire Department is exempt from income taxes under Internal Revenue Code Sec. 501(c)(3), which exempts volunteer fire departments.

5. PENSION PLAN:

The Fire Department has a Simple retirement plan in accordance with Internal Revenue Code Sections 401(k)11 and 408(p). The plan allows individuals, employed over six months, that complete 1,000 hours of service and have reached 21 years of age, to defer up to 10% of their compensation, subject to limitations. The Fire Department makes non-forfeitable contributions of 3% of the compensation for those eligible employees that elect to participate in the plan by making salary reduction contributions. Pension plan expense for the years ended June 30, 2005 and 2004 was \$19,564 and \$17,099, respectively.

6. USE OF ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and income and expenses during the reporting period. Actual results could differ from those estimates.

7. PLEDGED SECURITIES:

Custodial credit risk is the risk that, in the event of a bank failure, the Fire Department's deposits might not be recovered. The Fire Department's policy for custodial credit risk conforms to state law.

The Fire Department maintains cash balances and certificates of deposit at several financial institutions in the New Orleans area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. Cash balances in excess of FDIC insurance at one financial institution are also secured by pledged securities held in joint custody at the Federal Reserve Bank, New Orleans in the Fire Department's name. No pledged securities held by the Federal Reserve Bank for the Fire Department may be released or substituted except upon the written consent of the Fire Department.

At June 30, 2005, \$1,196,396 of the \$1,219,307 bank balances was secured by FDIC insurance and pledged securities. At June 30, 2004, \$1,297,293 of the \$1,326,323 bank balances was secured by FDIC insurance and pledged securities. Accordingly, \$22,911 and \$29,030 of bank balances were not secured at June 30, 2005 and 2004, respectively.

TERRYTOWN FIFTH DISTRICT
VOLUNTEER FIRE DEPARTMENT, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

8. SUBSEQUENT EVENT:

On August 29, 2005, Hurricane Katrina struck the State of Louisiana, causing significant damage to one of the Fire Department's stations. The losses resulting from this damage are expected to be covered by insurance. The long-term economic impact on the Fire Department as a result of the hurricane cannot be determined at this time.

TERRYTOWN FIFTH DISTRICT VOLUNTEER FIRE DEPARTMENT, INC.
 SUPPLEMENTARY INFORMATION
 STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2005

	<u>Administration</u>	<u>Firefighting</u>	<u>Fundraising</u>	<u>Total</u>
Accounting	\$ 4,651	\$ 5,044	\$ -	\$ 9,695
Advertising and promotion	1,450	-	-	1,450
Bunker gear	-	18,674	-	18,674
Convention expense	5,419	-	-	5,419
Depreciation	1,647	73,636	-	75,283
Donations	-	32,218	-	32,218
Dues and subscriptions	3,185	-	-	3,185
Emergency operations	-	1,239	-	1,239
Fire prevention expense	-	17,368	-	17,368
Fuel	-	11,918	-	11,918
Insurance - employees	4,071	181,993	-	186,064
Insurance - general	926	41,412	-	42,338
Insurance - vehicles	-	1,207	-	1,207
Internet services and supplies	19	840	-	859
Labor - salaries - wages	18,122	810,086	-	828,208
Ladies auxiliary expense	-	-	8,459	8,459
Lawn equipment repairs	120	5,373	-	5,493
Legal	31	1,397	-	1,428
Licenses and taxes	60	-	-	60
Medical expenses - employees/ members	277	12,365	-	12,642
Medical supplies	-	1,086	-	1,086
Meetings	-	529	-	529
Membership expense	-	26,093	-	26,093
Miscellaneous expense	179	7,990	-	8,169
Office expense and supplies	7,132	-	-	7,132
Payroll taxes	1,606	71,767	-	73,373
Pension plan expense	428	19,136	-	19,564
Pest control	51	2,289	-	2,340
Photo lab expense	-	798	-	798
Postage	1,601	-	-	1,601
Repairs and maintenance	-	251,467	-	251,467
Social fund expense	-	-	9,551	9,551
Supplies - cleaning	71	3,171	-	3,242
Supplies - other	-	23,114	-	23,114
Telephone - firehouses	115	5,143	-	5,258
Training expenses	-	4,411	-	4,411
Uniforms and badges	-	15,922	-	15,922
Utilities and telephone - residences	-	4,617	-	4,617
Utilities - firehouses - Heritage	383	17,110	-	17,493
Utilities - firehouses - other	-	28,518	-	28,518
Vice President's account expense	-	-	3,416	3,416
Voluntary contribution expense	-	-	1,957	1,957
TOTAL	<u>\$ 51,544</u>	<u>\$ 1,697,931</u>	<u>\$ 23,383</u>	<u>\$ 1,772,858</u>

TERRYTOWN FIFTH DISTRICT VOLUNTEER FIRE DEPARTMENT, INC.
 SUPPLEMENTARY INFORMATION
 STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2004

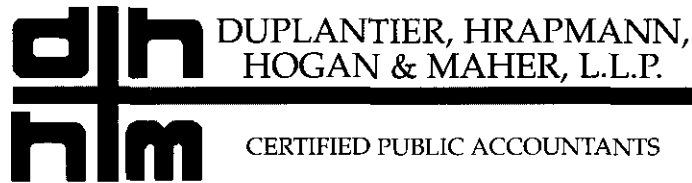
	<u>Administration</u>	<u>Firefighting</u>	<u>Fundraising</u>	<u>Total</u>
Accounting	\$ 4,525	\$ 4,715	\$ -	\$ 9,240
Advertising and promotion	1,185	-	-	1,185
Bunker gear	-	24,750	-	24,750
Convention expense	4,867	-	-	4,867
Depreciation	1,567	69,370	-	70,937
Donations	-	100	-	100
Dues and subscriptions	2,357	-	-	2,357
Emergency operations	-	1,221	-	1,221
Fire prevention expense	-	19,861	-	19,861
Fuel	-	10,520	-	10,520
Insurance - employees	3,896	172,440	-	176,336
Insurance - general	877	38,793	-	39,670
Insurance - vehicles	-	1,488	-	1,488
Internet services and supplies	-	-	-	-
Labor - salaries - wages	17,391	769,677	-	787,068
Ladies auxiliary expense	-	-	8,438	8,438
Lawn equipment repairs	35	1,548	-	1,583
Legal	6	257	-	263
Licenses and taxes	10	-	-	10
Medical expenses - employees/ members	241	10,653	-	10,894
Medical supplies	-	2,229	-	2,229
Meetings	-	745	-	745
Membership expense	-	27,341	-	27,341
Miscellaneous expense	51	2,273	-	2,324
Office expense and supplies	8,286	-	-	8,286
Payroll taxes	1,336	59,150	-	60,486
Pension plan expense	378	16,721	-	17,099
Pest control	61	2,702	-	2,763
Photo lab expense	-	3,877	-	3,877
Postage	2,045	-	-	2,045
Repairs and maintenance	-	183,781	-	183,781
Social fund expense	-	-	3,562	3,562
Supplies - cleaning	98	4,344	-	4,442
Supplies - other	-	22,825	-	22,825
Telephone - firehouses	128	5,675	-	5,803
Training expenses	-	3,691	-	3,691
Uniforms and badges	-	13,904	-	13,904
Utilities and telephone - residences	-	4,648	-	4,648
Utilities - firehouses - Heritage	353	15,616	-	15,969
Utilities - firehouses - other	-	27,872	-	27,872
Vice President's account expense	-	-	2,969	2,969
Voluntary contribution expense	-	-	3,187	3,187
TOTAL	\$ <u>49,693</u>	\$ <u>1,522,787</u>	\$ <u>18,156</u>	\$ <u>1,590,636</u>

TERRYTOWN FIFTH DISTRICT VOLUNTEER FIRE DEPARTMENT, INC.
 SUPPLEMENTARY INFORMATION
 STATEMENTS OF REVENUE COLLECTED AND EXPENDITURES PAID - CASH BASIS
 SPECIAL FUND
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
REVENUE:		
Jefferson Parish millage	\$ 1,500,000	\$ 1,380,000
Fire insurance rebate	80,764	64,722
Investment return	19,932	8,932
Miscellaneous	10,780	11,642
Total revenue	<u>1,611,476</u>	<u>1,465,296</u>
OPERATING EXPENSES:		
Accounting	9,694	9,240
Advertising and promotion	1,427	733
Bunker gear	18,674	24,750
Convention expense	2,715	4,393
Donation	32,218	100
Dues and subscriptions	3,185	2,357
Emergency operations	1,239	1,221
Fire prevention expense	17,368	19,861
Fuel	11,918	10,520
Insurance - employees	186,064	176,336
Insurance expense - general	42,338	39,670
Internet services/supplies	859	-
Labor - salaries - wages	828,208	787,068
Legal	1,428	263
Licenses and taxes	60	10
Membership expense	1,087	1,862
Medical expense/supplies	13,728	13,123
Miscellaneous expense	4,601	2,324
Meetings	448	745
Office expense/supplies	6,369	8,286
Payroll taxes	73,373	60,486
Photo lab expense	798	3,877
Pension plan expense	19,564	17,099
Pest control	2,340	2,763
Postage	681	688
Repairs and maintenance radios	4,708	2,449
Repairs and maintenance residence	-	17,312
Repairs and maintenance fire houses	153,864	92,998
Repairs and maintenance fire equipment	86,012	64,708
Repairs and maintenance station equipment	5,953	4,581
Repairs and maintenance vehicles	930	1,732
Repairs and maintenance lawn equipment	5,493	1,583
Supplies - fire fighting	4,470	5,265
Supplies - shop maintenance	594	276

TERRYTOWN FIFTH DISTRICT VOLUNTEER FIRE DEPARTMENT, INC.
 SUPPLEMENTARY INFORMATION
 STATEMENTS OF REVENUE COLLECTED AND EXPENDITURES PAID - CASH BASIS
 SPECIAL FUND
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

	<u>2005</u>	<u>2004</u>
OPERATING EXPENSES: (Continued)		
Supplies - cleaning	\$ 3,243	\$ 4,442
Supplies - firehouses	18,050	17,283
Telephone - firehouses	5,258	5,803
Training expense	4,411	3,691
Uniforms and badges	15,585	13,571
Utilities - firehouses	46,011	43,841
Utilities and telephone - residence	4,617	4,648
Depreciation expense	<u>75,283</u>	<u>70,937</u>
Total operating expenses	<u>1,714,866</u>	<u>1,542,895</u>
NET EXPENDITURES	\$ <u>(103,390)</u>	\$ <u>(77,599)</u>



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AMERICAN INSTITUTE OF
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SOCIETY OF LA. C.P.A.s

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON A FINANCIAL STATEMENT AUDIT PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

August 12, 2005

Board of Directors
Terrytown Fifth District Volunteer Fire Department, Inc.
341 Heritage Avenue
P.O. Box 1231
Gretna, LA 70053

We have audited the financial statements of the Terrytown Fifth District Volunteer Fire Department, Inc. as of and for the year ended June 30, 2005, and have issued our report thereon dated August 12, 2005. We conducted our 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Terrytown Fifth District Volunteer Fire Department, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Terrytown Fifth District Volunteer Fire Department, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of Terrytown Fifth District Volunteer Fire Department, Inc.'s Board of Directors and management, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Dylander, Hapman, Hogan & Maher LLP

TERRYTOWN FIFTH DISTRICT VOLUNTEER FIRE DEPARTMENT, INC.
SUMMARY SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2005

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of Terrytown Fifth District Volunteer Fire Department, Inc. for the year ended June 30, 2005 was unqualified.
2. Internal Control
Material weaknesses: none noted
Reportable conditions: none noted
3. Compliance
Noncompliance material to financial statements: none noted

FINDINGS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED
GOVERNMENTAL AUDITING STANDARDS:

None

SUMMARY OF PRIOR YEAR FINDINGS:

None