

FINANCIAL REPORT  
MARRERO-ESTELLE VOLUNTEER  
FIRE COMPANY NO. 1  
DECEMBER 31, 2021

MARRERO-ESTELLE VOLUNTEER  
FIRE COMPANY NO. 1

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## INDEPENDENT AUDITOR'S REPORT

April 26, 2022

Board of Directors  
Marrero-Estelle Volunteer Fire  
Company No. 1  
Marrero, Louisiana

### Opinion

We have audited the accompanying financial statements of Marrero-Estelle Volunteer Fire Company No. 1 (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Marrero-Estelle Volunteer Fire Company No. 1 as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

### Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Marrero-Estelle Volunteer Fire Company No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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## **Responsibilities of Management for the financial Statements**

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 the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about Marrero-Estelle Volunteer Fire Company No. 1's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Marrero-Estelle Volunteer Fire Company No. 1's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Marrero-Estelle Volunteer Fire Company No. 1's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits and other payments to agency head or chief executive officer is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2022 on our consideration of Marrero-Estelle Volunteer Fire Company No. 1's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 our 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* in considering Marrero-Estelle Volunteer Fire Company No. 1's internal control over financial reporting and compliance.

*Duplantier, Sharpner, Hogan and Parker, LLP*

New Orleans, Louisiana

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 2,582,577
Total current assets	<u>2,582,577</u>
Use of assets - net	<u>2,564,610</u>
TOTAL ASSETS	<u>\$ 5,147,187</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accrued payroll and tax liabilities	\$ 14,778
Accounts payable	43,583
Compensated absences	65,815
Total current liabilities	<u>124,176</u>

Net Assets:

Without restrictions	<u>5,023,011</u>
Total net assets	<u>5,023,011</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,147,187</u>

See accompanying notes.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUE:	
Contract revenue:	
Firefighting contract	\$ 2,400,000
Jefferson Parish insurance rebate	50,800
Grant funds - Cares Act	1,222
Interest	367
Insurance dividend	69,038
Total revenues	<u>2,521,427</u>
EXPENSES:	
Program services - firefighting	2,893,314
Supporting services:	
Management and general	<u>106,910</u>
Total expenses	<u>3,000,224</u>
Change in net assets	(478,797)
Net assets without donor restrictions, beginning of year, as previously stated	<u>4,708,161</u>
Prior period adjustment	<u>793,647</u>
Net assets without donor restrictions, beginning of year, restated	<u>5,501,808</u>
NET ASSETS WITHOUT RESTRICTIONS - END OF PERIOD	<u>\$ 5,023,011</u>

See accompanying notes.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Firefighting</u>	<u>Management and General</u>	<u>Total</u>
EXPENSES:			
Salaries and benefits	\$ 1,623,093	\$ 53,656	\$ 1,676,749
Insurance - medical	241,619	7,987	249,606
Depreciation - use of asset	290,881	9,616	300,497
Insurance - liability	167,278	5,530	172,808
Loss on disposal	139,752	4,620	144,372
Payroll taxes	137,388	4,542	141,930
Repairs and maintenance	102,235	-	102,235
Pension contributions	49,848	1,648	51,496
Utilities and telephone	44,912	1,485	46,397
Office expense	34,893	1,154	36,047
Professional services	4,672	16,124	20,796
Fuel	14,356	-	14,356
Supplies	12,134	401	12,535
Vehicles	10,223	-	10,223
Equipment and gear	8,053	-	8,053
Contract services	4,282	142	4,424
Travel and conferences	3,400	-	3,400
Uniforms	2,410	-	2,410
Training	1,714	-	1,714
Licenses and fees	170	6	176
TOTAL	<u>\$ 2,893,314</u>	<u>\$ 106,910</u>	<u>\$ 3,000,224</u>

See accompanying notes.



MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
 STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ (478,797)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation - use of asset	300,497
Loss on disposal	144,372
Decrease in accounts payable	(14,890)
Increase in accrued payroll and tax liabilities	5,467
Increase in compensated absences	1,349
Net cash used by operating activities	<u>(42,002)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Acquisition of equipment (use of asset)	<u>(12,560)</u>
Net cash used by investing activities	<u>(12,560)</u>
NET DECREASE IN CASH	(54,562)
Cash at beginning of year	<u>2,637,139</u>
CASH AT END OF YEAR	<u>\$ 2,582,577</u>
SUPPLEMENTAL DISCLOSURES:	
Interest paid	\$ <u>          </u>
Taxes paid	\$ <u>          -</u>

See accompanying notes.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

ORGANIZATION:

Marrero-Estelle Volunteer Fire Company No. 1 (the Company) was established in 1951 as a non-profit entity to provide firefighting and rescue service to a designated area of the Eighth Fire District on the West Bank of Jefferson Parish, Louisiana. In addition, the Company provides fire code inspections for businesses within its district, as well as firefighting and rescue training for its members. The Company maintains three fire stations. The Company's main source of revenue is a fire protection contract with Jefferson Parish effective for the period December 1, 2017 through December 1, 2027. The contract was adopted by the Jefferson Parish Council on November 15, 2017 by resolution number 130379.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recorded when earned and expenses are recorded when incurred.

Financial Statement Presentation:

The Company is required to report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions. According two classes of net assets and changes therein are classified and reported as follows:

- Net assets without donor restrictions – net assets available for use in general operations and not subject to donor (or certain grantor) restrictions
- Net assets with donor-imposed restrictions – net assets subject to donor-imposed (or certain grantor) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets are reported as reclassifications between the applicable classes of net assets. As of December 31, 2021, the Company had only net assets without donor restrictions.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Allocation of Expenses:

The cost of providing programs and other activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses, which are easily and directly associated with firefighting or general and administrative, are charged directly to that functional area. Certain other expenses have been allocated to firefighting services and general and administrative based on time devoted by the fire department's staff.

General and administrative consists of general administrative expenses incurred.

Revenue:

Substantially all of the Company's revenue is derived from a contract with Jefferson Parish to provide firefighting and rescue services to the designated area of the Fire Protection District No. 8 and is considered to be an exchange transaction within the scope of ASC Topic 606, *Revenue from Contracts with Customers*. The revenue is recognized over time as the performance obligation is satisfied.

In addition, the Company routinely receives revenue from insurance rebates. The amount is received annually from the State of Louisiana through Jefferson Parish. The amount received is based on the number of homes within the Company's district.

Income Taxes:

The Company is exempt from income taxes under Internal Revenue Code Section 501(c)(3) as a nonprofit organization and, accordingly, the financial statements do not reflect a provision for income taxes. The Company's Federal Return of Organization Exempt from Income Tax (990) for 2021, 2020, 2019, and 2018 are subject to examination by the IRS, generally, for three years after they were filed.

Cash and Cash Equivalents:

For purposes of the Statement of Cash Flows, the Company considers cash in operating bank accounts, demand deposits, and cash on hand with a maturity of three months or less as cash and cash equivalents.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Use of Assets:

The Company entered into a contract with Jefferson Parish in 2017 to provide fire protection services for District 8 of Jefferson Parish. Per the contract, any capital assets purchased with funds received from the contract or received from Jefferson Parish are owned by Jefferson Parish. In addition, any capital asset required to be titled will be titled in the name of Jefferson Parish. Capital assets not owned by the District or capital assets not titled in the name of the Company, but are used by the Company are reported in the Statement of Net Assets as a Use of Asset and contract revenue in the Statement of Activities. Capital assets used by the Company consist mainly of buildings, fire trucks, equipment and furniture. As the capital assets are used, the value of the asset is reduced systematically over the life of the asset as follows:

Vehicles	5 - 7 years
Furniture and fixtures	3 - 10 years
Firefighting and rescue equipment	5 - 10 years
Buildings and improvements	7 - 40 years

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. CASH:

At December 31, 2021, the Company maintained cash balances in a local bank. The bank balances totaled \$2,578,885 and the book balance totaled \$2,582,377.

The Company also has a promontory insured cash sweep (ICS) which is used to maintain a certain balance in the operating cash account by moving cash back and forth as needed to maintain that balance. Deposits in promontory ICS accounts are spread among other banks within the promontory network so that no balances at any one bank are above FDIC coverage.

3. USE OF ASSETS:

During 2017, the Company entered into a contract with Jefferson Parish to provide firefighting services. As stipulated in the contract, any acquisition of furniture, equipment, apparatus, immovable property or buildings by the Company with funds from the contract or any acquisitions prior to the contract with Jefferson Parish shall be the property of Jefferson Parish.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

3. USE OF ASSETS: (Continued)

In addition, if the asset is legally required to be titled, shall be titled in the name of Jefferson Parish and not in the name of the Company. The Contract also states that in the event the Company should cease operations voluntarily for whatever reason during the term of the agreement or be removed for just cause by Jefferson Parish all buildings, equipment or apparatus purchased with or through bond proceeds, appropriations from Jefferson Parish general and special revenue funds or contract consideration shall become (or remain if already titled in Jefferson Parish's name) the property of Jefferson Parish. These assets are reported as a use of asset on the statement of financial position and depreciated over the useful life of the asset.

Below is a summary of the Company's Use of Assets at December 31, 2021:

	<u>(Restated) *</u>			
	<u>January 01, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2021</u>
Land	\$ 153,000	\$ -	\$ -	\$ 153,000
Buildings and improvements	2,105,005	-	28,910	2,076,095
Vehicles	4,057,648	-	28,195	4,029,453
Machinery and equipment	1,049,930	12,560	781,573	280,917
Furniture and fixtures	369,993	-	232,028	137,965
	<u>7,735,576</u>	<u>12,560</u>	<u>1,070,706</u>	<u>6,677,430</u>
Less accumulated depreciation	<u>4,540,545</u>	<u>300,497</u>	<u>728,222</u>	<u>4,112,820</u>
Net use of assets	<u>\$ 3,195,031</u>	<u>\$ (287,937)</u>	<u>\$ 342,484</u>	<u>\$ 2,564,610</u>

\* See footnote 11 - Prior Period Adjustment

The use of assets is depreciated systematically over the life of the asset. Depreciation expense totaled \$300,497 for the year ended December 31, 2021.

4. DONATED SERVICES:

Amounts have not been reflected in the financial statements for donated services because the value of these services was not readily determinable. All members of the Board of Directors and the Fire Chief serve without compensation.

5. COMPENSATED ABSENCES:

The Company's employees accrue vacation at varying rates based on their term of service. At December 31, 2021, 26 employees had accumulated a total of \$65,815 of unused vacation. Accumulated vacation is paid out if not used on each employee's annual anniversary date. Due to the COVID pandemic some exceptions were made to this policy to allow firefighters to carry over unused time.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

6. EMPLOYEE BENEFIT PLAN:

The Company has a SIMPLE IRA retirement plan for all eligible employees. The Plan is a defined contribution salary reduction plan. Under the Plan, the Company matches the employee's salary contribution up to 3% of the employees' compensation. The maximum annual contribution by the employee for 2021 was \$19,500 plus an additional \$6,500 catch up contribution for those at least age 50. For the year ended December 31, 2021, employees contributed \$82,152, and the Company contributed \$51,496 to the plan.

7. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The Company manages its liquidity by operating within a prudent range of financial stability, maintaining adequate liquidity to fund near-term operations, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. As of December 31, 2021, financial assets available for expenses within one year of the statement of financial position date consist of cash in the amount of \$2,582,377.

8. EXPENSES PAID BY OTHERS:

The full-time firefighters of the Company receive supplemental pay from the State of Louisiana under the provisions of L.R.S. 33:2002. The amount of pay received varies based on years of service. As these supplemental state funds are paid directly to the firefighters, and do not pass through the Company, they are not included in these financial statements. For the year ended December 31, 2021 \$143,965 was received by the firefighters in supplemental pay from the State.

9. ECONOMIC DEPENDENCY, FIRE PROTECTION CONTRACT:

Substantially all of the Company's support is derived from funds provided by Jefferson Parish. The Company has a contract with Jefferson Parish, effective December 1, 2017 through December 1, 2027, under which the Company receives \$2,400,000 yearly as well as additional funding from fire insurance rebates. Management is not aware of any plans on the part of Jefferson Parish to terminate the contract.

10. PRIOR PERIOD ADJUSTMENT:

Net assets at the beginning of the year have been restated to correct an error in reporting of insurance deposits for the year ended December 31, 2020. As a result, the net assets decreased by \$20,664 and assets increased by \$20,664 as of January 1, 2021.

Net assets at the beginning of the year have been restated to include buildings, land and vehicles that were not previously included in the Company's financial statements. As a result, net assets increased by \$823,270, use of assets increased by \$2,582,593 and accumulated depreciation increased by \$1,759,323.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

10. PRIOR PERIOD ADJUSTMENT: (Continued)

Net assets have also been adjusted to correct an error in accounts payable for the year ended December 31, 2020. As a result, the net assets decreased by \$8,959 and accounts payable increased by \$8,959 as of January 1, 2021.

11. DATE OF MANAGEMENT'S REVIEW:

Subsequent events have been evaluated by management through April 26, 2022, which is the date that the financial statements were available to be issued.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
DECEMBER 31, 2021

Agency Head Name: Blake Hunter, Fire Chief (Volunteer)

Purpose		
Benefits	\$	-
Meals		-
Per diem		-
Salary		-
Travel		-
Unvouchered expenses		-
Vehicle allowance		-
Total	\$	<u>-</u>





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

April 26, 2022

To the Board of Directors  
Marrero-Estelle Volunteer Fire  
Company No. 1  
Marrero, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Marrero-Estelle Volunteer Fire Company No. 1 (a Louisiana nonprofit organization), which comprise the statement of financial position as December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 26, 2022.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Marrero-Estelle Volunteer Fire Company No. 1's (the Company) internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of Marrero-Estelle Volunteer Fire Company No. 1's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did identify a deficiency in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as 2021-01 that we consider to be material weakness.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Marrero-Estelle Volunteer Fire Company No. 1's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2021-02.

### **Marrero-Estelle Volunteer Fire Company No 1.'s Response to Audit Findings**

The Company's response to the findings identified in our audit is described in the accompanying schedule of findings. The Company's response was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

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

*Duplantier, Sharpner, Hogan and Grady, LLP*

New Orleans, Louisiana

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY, NO. 1  
SCHEDULE OF CURRENT YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of Marrero-Estelle Volunteer Fire Company No. 1 for the year ended December 31, 2021 was unmodified.
2. Internal Control  
Material weakness – significant deficiency: 2021-01
3. Compliance and Other Matters: 2021-02

FINDINGS REQUIRED TO BE REPORTED UNDER GOVERNMENTAL AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA:

2021-01 – Fixed Assets

The Company has not taken a physical inventory of fixed assets. The Company should perform an annual inventory count of fixed assets owned by Jefferson Parish and reconcile the fixed asset listing to the general ledger. Not performing the inventory count resulted in the overstatement of fixed assets on the Company's general ledger. We recommend the Company perform a physical inventory count of all fixed assets owned by Jefferson Parish.

Management's response

Marrero Estelle Volunteer Fire Company No I is in the process of initiating a procedure on which we can accurately account for all inventory, our goal is to have it completed in time for 2022 audit.

2021-02 – Compliance with Jefferson Parish Contract

As required by the contract with Jefferson Parish, the Company did not maintain a schedule of fixed assets owned by Jefferson Parish. In addition, the Company did not properly title fixed assets purchased with funds from the contract with Jefferson Parish in the name of Jefferson Parish. The Company should maintain a fixed asset schedule of all assets owned by Jefferson Parish. Also, all assets purchased with funds from the contract with Jefferson Parish should be titled in the name of Jefferson Parish. Not maintaining a fixed asset schedule of assets owned by Jefferson Parish and not placing assets required to be titled in the name of Jefferson Parish resulted in non-compliance with the contract. We recommend the Company prepare a schedule of fixed assets owned by Jefferson Parish and title all required assets purchased with funds from Jefferson Parish in the name of Jefferson Parish.

Management's response

Fixed asset titles were sent to the Jefferson Parish Director of Fire Services in 2019 to Joe Greco and in 2020 to Bryan Adams, to be retitled to Jefferson Parish. We will follow up with the new Jefferson Parish Director of Fire Services, Don Robertson to check on the status of this transaction.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY, NO. 1  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021

STATUS OF PRIOR YEAR FINDINGS:

2020-01 Journal Entries

In the prior year audit it was noted that the Company maintained its books on the cash basis of accounting. Journal entries were required to report accruals in accordance with GAAP. Not reporting transactions using the accrual basis of accounting resulted in non-GAAP financial statements. It was recommended to record the necessary accruals to reflect GAAP basis financial statements.

This finding was resolved.

2020-02 - Preparation of Financial Statements

It was noted in the prior year audit that the Company does not have any personnel with the technical ability to prepare its financial statements in accordance with generally accepted accounting principles. This resulted in the non GAAP basis financial statements. It was recommended to the Company to prepare its financial statements in accordance with GAAP.

This finding was resolved.

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1

INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES

FOR THE FISCAL YEAR  
JANUARY 01, 2021–DECEMBER 31, 2021

MARRERO-ESTELLE VOLUNTEER FIRE COMPANY NO. 1

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

April 22, 2022

Board of Directors  
Marrero-Estelle Volunteer Fire Company No. 1  
and The Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUPs) for the year January 01, 2021 through December 31, 2021. Marrero-Estelle Volunteer Fire Company No. 1's management is responsible for the control and compliance areas identified in the SAUPs.

Marrero-Estelle Volunteer Fire Company No. 1 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the year January 01, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

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Members  
American Institute of  
Certified Public Accountants  
Society of LA CPAs

**Written Policies and Procedures**

1. Obtain and inspected the entity's written policies and procedures and observed whether they addressed each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - a) Budgeting, including preparing, adopting, monitoring, and amending the budget.
  - b) Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) Disbursements, including processing, reviewing and approving.
  - d) Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
  - e) Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
  - f) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
  - g) Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
  - h) Travel and Expense Reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
  - i) Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
  - j) Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
  - k) Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
  - l) Sexual Harassment, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.



**Written Policies and Procedures - Continued**

Upon applying the agreed-upon procedures above, we noted the following:

- Marrero Estelle Volunteer Fire Company does not have written policies over budgeting, purchasing, disbursements, receipts, payroll/personnel, contracting, credit cards, travel and expense reimbursements, ethics, debt services, information technology disaster recovery/business continuity, or sexual harassment.

Management's response is included in Appendix A.

**Board or Finance Committee**

2. Obtain and inspect the board/finance committee minutes for the calendar year, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the calendar year, and:
    - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
    - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the calendar year.*
    - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the calendar year referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- *We noted no findings noted as a result of applying the procedures above.*

**Bank Reconciliations**

3. Obtain a listing of entity bank accounts for the calendar year from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). Randomly select one month from the calendar year, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observed that:

**Bank Reconciliations - Continued**

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Upon applying the agreed-upon procedures above, we noted the following:

- The bank reconciliations have no evidence that a member of management or board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

Management's response is included in Appendix A.

**Collections (excluding electronic funds transfers)**

4. Obtain a list of deposit sites for the calendar year where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly selected 5 deposit sites (or all deposit sites if less than 5).
  - *We noted no findings noted as a result of applying the procedure above.*
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly selected one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

**Collections (excluding electronic funds transfers) - Continued**

Upon applying the agreed upon procedures above, we noted the following:

- The employee responsible for collecting cash is responsible for posting collection entries to the general ledger or subsidiary ledger. The same employee is also responsible for reconciling the cash accounts.
- The employee receiving cash or checks also prepares the deposits and takes deposits to bank.

Management's response is included in Appendix A.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the calendar year.

- *We noted no findings upon applying the agreed upon procedure above.*

7. Randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliation" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

Upon applying the agreed upon procedures above we noted the following:

- Two of the five deposits tested were not posted to the general ledger.

Management's response is included in Appendix A.

**Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)**

8. Obtain a listing of locations that process payments for the calendar year and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

**Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases) - Continued**

- *We noted no findings noted as a result of applying the procedures above.*
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

Upon applying the agreed upon procedures above, we noted the following:

- The employee responsible for processing payments is not prohibited from adding/modifying vendor files.

Management's response is included in Appendix A.

10. For each location selected under #8 above, we obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursement) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
- a) Observe the disbursement matched the related original itemized invoice and supporting documentation indicated deliverables included on the invoice were received by the entity.
  - b) Observe the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

- *We noted no findings upon applying the agreed upon procedure above.*

**Credit Cards/Debit Cards/Fuel Cards/P-Cards**

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the calendar year, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

- *We noted no findings upon applying the agreed upon procedure above.*

**Credit Cards/Debit Cards/Fuel Cards/P-Cards - (Continued)**

12. Using the listing prepared by management randomly select 5 cards (or all cards if less than 5) that were used during the calendar year. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
- Observe there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - Observe that finance charges and late fees were not assessed on the selected statements.

Upon applying the agreed upon procedures above, we noted the following:

- There was no evidence that the monthly statements and supporting documentation were reviewed and approved, in writing, by someone other than the authorized cardholder.
- One card of five tested had late fees assessed.

Management's response is included in Appendix A.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement and obtain supporting documentation for the transactions. For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny. For each transaction, observe it is supported by:
- An original itemized receipt that identifies precisely what was purchased,
  - Written documentation of the business/public purpose,
  - Documentation of the individuals participating in meals (for meals charges only)

Upon applying the agreed upon procedures above, we noted the following:

- One transaction of the five tested did not have an original receipt which identified item purchased.

**Travel and Travel-Related Expense Reimbursement (excluding card transactions)**

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the calendar year and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

**Travel and Travel-Related Expense Reimbursement (excluding card transactions) (Continued)**

- a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration.
- b) If reimbursed using actual cost, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating and other documentation required by written policy (procedure #1h).
- d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving the reimbursement.

Upon applying the agreed upon procedures above, we noted the following:

- One of the five reimbursements tested did not have the original itemized receipt
- Four of the five did not have documentation of the business/public purpose.
- Three of the five reimbursements tested were not reviewed and approved in writing by someone other than the person receiving the reimbursement.

Management's response is included in Appendix A.

**Contracts**

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the calendar year. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) Observe the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe the contract was approved by the governing body/board, if required by policy or law.
  - c) If the contract was amended, observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms. (e.g., if approval is required for any amendment, was approval documented).
  - d) Randomly select one payment from the calendar year for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

Upon applying the agreed upon procedures above, we noted the following:

- Per inquiry with management and through observation it was determined that, the Fire Company did not enter in to any contracts during the year as described above.

**Payroll and Personnel**

16. Obtain a listing of employees and officials employed during the calendar year and management's representation that the listing is complete. Randomly selected 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

- *We noted no findings upon applying the agreed upon procedure above.*

17. Randomly select one pay period during the calendar year. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe supervisors approved the attendance and leave of the selected employees or officials.
- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

- *We noted no findings upon applying the agreed upon procedure above.*

18. Obtain a listing of those employees or officials that received termination payments during the calendar year and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

- *We noted no findings upon applying the agreed upon procedure above.*

19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

- *We noted no findings upon applying the agreed upon procedure above.*

**Fraud Notice**

20. Obtain a listing of misappropriations of public funds and assets during the calendar year and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

- *We noted no findings upon applying the agreed upon procedure above.*

21. Observe the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

- *We noted no findings upon applying the agreed upon procedure above.*

**Information Technology Disaster Recovery/Business Continuity**

22. Perform the following procedures

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.
- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly selected 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

- *We performed the procedures above and discussed the results with management.*

We were engaged by Marrero-Estelle Volunteer Fire Company No. 1 to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. We were not engaged to, and did not, conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



April 22, 2022

We are required to be independent of Marrero-Estelle Volunteer Fire Company No. 1 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the results of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Duplantier, Sharpness, Hogan and Parker, LLP*

New Orleans, Louisiana



# MARRERO-ESTELLE VOLUNTEER FIRE CO. NO. 1

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## APPENDIX A

Mr. Michael J. Waguespack, CPA Louisiana  
Legislative Auditor  
1600 North Third Street  
P. O. Box 94397  
Baton Rouge, Louisiana 70804-9397

Dear Mr. Waguespack:

Please accept this letter as our response to the audit findings contained in our December 31, 2021 Statewide Agreed Upon Procedures.

### Written Policies and Procedures

- Documentation of our policies and procedures are currently being drafted.

### Bank Reconciliations

- Our president of the board of directors will review bank reconciliations each month.

### Collections (excluding electronic funds transfers)

- 99.9% of all deposits are received from Jefferson Parish are electronic. We have limited resources to expand office personnel. We feel board of director oversight is sufficient.
- All deposits will be posted to the general ledger.

### Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

- All vendors are paid electronically, final is approved by president of the board
- Annual vendor lists will be provided to Board of Directors for review.

### Credit Cards/Debit Cards Fuel Cards/P-Cards

- We will have statements reviewed and approved by someone other than the card holder.

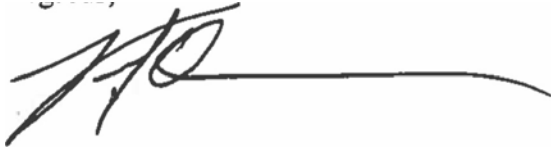
- We will make sure payments are made on time to avoid late fees. One late fee was noted during the year.
- We will make sure to have receipts for all credit card purchases.

Travel and Travel-Related Expense Reimbursement (excluding card transactions)

- We will make sure each reimbursement is supported by documentation of the business/public purpose (for meal charges, we will document the names of those individuals participating).
- We will ensure all receipts are accounted for in future.
- We will make sure reimbursements are reviewed and approved by someone other than the person submitting the reimbursement.

It is our goal to have these issues cleared up for our 2022 Financial Audit.

Regards,

A handwritten signature in black ink, appearing to be 'KC', followed by a long horizontal line extending to the right.

Kevin Coleman  
President  
Marrero Estelle Vol Fire Co No I