

REPORT
MARRERO-HARVEY VOLUNTEER
FIRE COMPANY NO. 1
DECEMBER 31, 2003 AND 2002

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 8-4-04

MARRERO-HARVEY VOLUNTEER
FIRE COMPANY, NO. 1

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DECEMBER 31, 2003 AND 2002

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INDEPENDENT AUDITOR'S REPORT

April 6, 2004

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

We have audited the accompanying statements of financial position of Marrero-Harvey Volunteer Fire Company No. 1 (a Louisiana nonprofit corporation) as of December 31, 2003 and 2002, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the fire company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Marrero-Harvey Volunteer Fire Company No. 1 as of December 31, 2003 and 2002, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 6, 2004 on our consideration of Marrero-Harvey 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 grants. 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.

Duplantier, Hrapmann, Hogan & Maher, L.L.P.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2003 AND 2002

ASSETS

	<u>2003</u>	<u>2002</u>
CURRENT ASSETS:		
Cash and cash equivalents (Notes 1 and 2)	\$ 1,126,388	\$ 1,189,503
Certificates of deposit	107,582	106,155
Accounts receivable	<u>74,950</u>	<u>5,000</u>
Total current assets	<u>1,308,920</u>	<u>1,300,658</u>
PROPERTY AND EQUIPMENT - (Notes 1 and 3) (net of accumulated depreciation of \$1,617,168 and \$1,497,326)	<u>1,799,652</u>	<u>1,409,917</u>
OTHER ASSETS:		
Note receivable (Note 7)	-	50,000
Prepaid expenses	<u>15,433</u>	<u>-</u>
Total other assets	<u>15,433</u>	<u>50,000</u>
TOTAL ASSETS	\$ <u>3,124,005</u>	\$ <u>2,760,575</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	\$ 324,812	\$ 1,862
Accrued salaries	23,687	19,734
Accrued sick and annual leave (Note 1)	33,896	29,295
Retirement withholdings payable	-	1,937
Payroll taxes payable	<u>1,619</u>	<u>7,109</u>
Total current liabilities	<u>384,014</u>	<u>59,937</u>
NET ASSETS:		
Unrestricted	<u>2,739,991</u>	<u>2,700,638</u>
Total net assets	<u>2,739,991</u>	<u>2,700,638</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>3,124,005</u>	\$ <u>2,760,575</u>

See accompanying notes.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
UNRESTRICTED NET ASSETS:		
SUPPORT:		
Firefighting contract (Note 5)	\$ 1,034,950	\$ 1,035,000
Insurance rebate	32,079	28,943
Donated firefighting services (Note 4)	28,834	36,206
Interest	6,795	12,928
Gain on disposal of asset (Note 7)	-	43,000
Other income	5,764	17,550
Total support	<u>1,108,422</u>	<u>1,173,627</u>
EXPENSES: (Pages 5 and 6)		
Program services - firefighting	977,259	921,058
Supporting services - management and general	91,810	79,539
Total expenses	<u>1,069,069</u>	<u>1,000,597</u>
INCREASE IN UNRESTRICTED NET ASSETS	39,353	173,030
Net assets - beginning of year	<u>2,700,638</u>	<u>2,527,608</u>
NET ASSETS - END OF YEAR	\$ <u>2,739,991</u>	\$ <u>2,700,638</u>

See accompanying notes.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>PROGRAM SERVICES</u>	<u>SUPPORTING SERVICES</u>	
	<u>Firefighting</u>	<u>Management And General</u>	<u>Total</u>
EXPENSES:			
Accounting and legal	\$ -	\$ 6,420	\$ 6,420
Building repairs	4,228	-	4,228
Convention expenses	11,640	-	11,640
Depreciation	119,842	-	119,842
Detail work	-	-	-
Donated firefighting services	14,638	14,196	28,834
Dues and subscriptions	-	2,268	2,268
Equipment repair	2,315	-	2,315
Firefighting supplies	40,893	-	40,893
Fuel	8,507	-	8,507
Insurance	107,502	-	107,502
Investigation expense	468	-	468
Licenses	1,353	-	1,353
Maintenance	39,848	-	39,848
Meals and consumables	-	9,861	9,861
Medical expenses	-	2,139	2,139
Miscellaneous	-	21,658	21,658
Office expense	-	7,197	7,197
Operating supplies	16,949	-	16,949
Payroll taxes	46,894	-	46,894
Radio expense	10,604	-	10,604
Retirement expense	12,955	-	12,955
Salaries and wages	538,623	5,441	544,064
Utilities	-	22,630	22,630
TOTAL	<u>\$ 977,259</u>	<u>\$ 91,810</u>	<u>\$ 1,069,069</u>

See accompanying notes.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>PROGRAM SERVICES</u>	<u>SUPPORTING SERVICES</u>	
	<u>Firefighting</u>	<u>Management And General</u>	<u>Total</u>
EXPENSES:			
Accounting and legal	\$ -	\$ 6,320	\$ 6,320
Building repairs	9,245	-	9,245
Convention expenses	5,873	-	5,873
Depreciation	124,662	-	124,662
Detail work	14,660	-	14,660
Donated firefighting services	17,824	18,382	36,206
Dues and subscriptions	-	2,550	2,550
Equipment repair	2,878	-	2,878
Firefighting supplies	15,391	-	15,391
Fuel	6,234	-	6,234
Insurance	110,906	-	110,906
Investigation expense	1,635	-	1,635
Licenses	107	-	107
Maintenance	33,408	-	33,408
Meals and consumables	-	7,479	7,479
Medical expenses	-	2,762	2,762
Miscellaneous	-	16,504	16,504
Office expense	-	3,940	3,940
Operating supplies	17,803	-	17,803
Payroll taxes	42,978	-	42,978
Radio expense	7,066	-	7,066
Retirement expense	11,402	-	11,402
Salaries and wages	498,986	5,040	504,026
Utilities	-	16,562	16,562
TOTAL	<u>\$ 921,058</u>	<u>\$ 79,539</u>	<u>\$ 1,000,597</u>

See accompanying notes.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 39,353	\$ 173,030
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	119,842	124,662
Gain on sale of assets	-	(43,000)
(Increase) decrease in operating assets:		
Accounts receivable	(69,950)	-
Prepaid expenses	(15,433)	-
Increase (decrease) in operating liabilities:		
Accounts payable	(1,862)	1,862
Accrued sick and annual leave	4,601	427
Accrued salaries	3,953	3,744
Retirement withholdings payable	(1,937)	(108)
Payroll taxes payable	(5,490)	1,147
Net cash provided by operating activities	<u>73,077</u>	<u>261,764</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(184,765)	(42,460)
Purchase of certificate of deposit	(1,427)	(51,548)
Proceeds from repayment of note receivable	<u>50,000</u>	<u>-</u>
Net cash used in investing activities	<u>(136,192)</u>	<u>(94,008)</u>
 NET INCREASE (DECREASE) IN CASH	 (63,115)	 167,756
 Cash and cash equivalents - at beginning of year	 <u>1,189,503</u>	 <u>1,021,747</u>
 CASH AND CASH EQUIVALENTS - AT END OF YEAR	 <u>\$ 1,126,388</u>	 <u>\$ 1,189,503</u>
 NON-CASH INVESTING ACTIVITY:		
Sale of asset for accounts receivable	\$ <u>-</u>	\$ <u>5,000</u>
Sale of asset for note receivable	\$ <u>-</u>	\$ <u>50,000</u>
Acquisition of property and equipment through accounts payable	<u>\$ 324,812</u>	<u>\$ -</u>

See accompanying notes.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

ORGANIZATION:

Marrero-Harvey Volunteer Fire Company No. 1 (the fire company) was established to provide firefighting and rescue service to a designated area of the Eighth Fire District (a separate entity) of Jefferson Parish, Louisiana. In addition, the fire company provides fire code inspections for businesses within its district, as well as firefighting and rescue training for its members. The fire company maintains three fire stations and has approximately twenty paid employees and fifty volunteers. The company's main source of revenue is a fire protection contract with Jefferson Parish effective for the period April 1, 1994 through March 31, 2004. The contract was adopted by the Jefferson Parish Council with Resolution Number 77143 on June 22, 1994. The fire company's membership adopted the contract on June 27, 1994 which was signed September 2, 1994. Under the terms of the contract, the contract continues on a month-to-month basis after March 31, 2004 unless terminated by thirty days written notice by either party. Currently, the fire department is in the process of entering into a new contract with Jefferson Parish.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

Basis of Accounting and Financial Statement Presentation:

The financial statements are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

The fire company follows Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Nonprofit Organizations*. Under SFAS No. 117, the fire company 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. In addition, the fire company is required to present a statement of cash flows. As of December 31, 2003 and 2002 the fire company had only unrestricted net assets.

The statement of activities presents expenses of the fire company'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.

Contributions and Donated Services:

The fire company follows Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of any donor restrictions.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
 NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Contributions and Donated Services: (Continued)

SFAS No. 116 provides that the value of donated services is to be recognized in financial statements if the services require specialized skills, are provided by persons possessing those skills, and the services would be purchased if they were not donated. The fire company's volunteer firefighters undergo extensive specialized training, and the firefighting services would have to be purchased if the services were not provided by volunteers. Accordingly, donated firefighting services are recognized in the financial statements at estimated fair value.

Income Taxes:

The fire company is exempt from income taxes under Internal Revenue Code section 501(c)(4) as a nonprofit organization and thus these financial statements contain no provision for income taxes.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the fire company has defined cash and cash equivalents as cash in banks, money market accounts and certificates of deposit with original maturities of three months or less.

Supplemental Disclosures of Cash Flow Information:

	<u>2003</u>	<u>2002</u>
Cash paid during the year for:		
Interest	\$ --	\$ --
Income taxes	--	--

Property and Equipment:

Acquisitions of property and equipment in excess of \$1,000 and expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at acquisition cost, or estimated historical cost if acquisition cost is not available. Depreciation is provided for in amounts sufficient to relate the cost of depreciable property and equipment to operations over their estimated useful lives using the straight-line method. Estimated useful lives of property and equipment are as follows:

Automobiles	3 - 5 years
Furniture and fixtures	5 - 10 years
Firefighting and rescue equipment	3 - 15 years
Buildings and improvements	30 years

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
 NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Concentration of Credit Risk:

The fire company's income is derived primarily from the proceeds of an ad valorem tax millage and other funding under a contract with the Jefferson Parish Council to support its firefighting and rescue services.

Accrued Leave:

Annual Leave

Each qualified employee scheduled to work 50 hours or more per week earns annual leave as follows:

<u>Years of Continuous Service</u>	<u>Hours</u>
0 - 1 year	0
1 - 10 years	144
Over 10 years *	144+

*Employee earns 8 hours of additional leave for each year over 10 years up to a maximum of 240 hours after 22 years. Employees cannot exceed the accumulated hours they are allowed for their years of service at the end of the pay period which includes the last day of the month before the month that includes the employee's anniversary date.

Sick Leave

Operators scheduled to work 50 or more hours per week earn sick leave. Employees earn three (3) hours of sick leave per pay period commencing after the pay period that contains the date that is six (6) months after their initial anniversary date. An employee can accumulate up to 240 hours of sick leave that can be carried over to the next calendar year. Any unused sick leave as of December 31 of any year in excess of 240 hours will be bought back at a rate of 1/2 to 1 hour at regular pay. Upon termination of employment for any reason, the employee will be paid for accumulated sick leave at a rate of 1/2 to 1 hour at regular pay.

The liability for accrued annual and sick leave was \$33,896 and \$29,295 as of December 31, 2003 and 2002, respectively.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
 NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

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 expenses during the reporting period. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS AND CERTIFICATES OF DEPOSIT:

At December 31, 2003 and 2002, the fire company maintained cash balances, savings accounts and certificates of deposit in several local banks. A U.S. Treasury money market account was maintained at a brokerage company. The bank balances and book balances were as follows:

	<u>2003</u>		<u>2002</u>	
	<u>Book</u> <u>Balances</u>	<u>Bank</u> <u>Balances</u>	<u>Book</u> <u>Balances</u>	<u>Bank</u> <u>Balances</u>
Checking accounts	\$ 275,941	\$ 289,856	\$ 333,226	\$ 336,154
Savings accounts	484,492	484,492	491,839	492,140
Certificates of deposit	107,582	107,582	106,155	106,155
Money market account	<u>365,925</u>	<u>365,925</u>	<u>364,438</u>	<u>364,438</u>
Total cash and cash equivalents and certificates of deposit	<u>\$ 1,233,970</u>	<u>\$ 1,247,855</u>	<u>\$1,295,658</u>	<u>\$1,298,887</u>

The checking accounts, savings accounts and certificates of deposit are insured by the Federal Deposit Insurance Corporation. At December 31, 2003 and 2002, balances in these accounts were uninsured or uncollateralized in the amounts of \$220,255 and \$273,131, respectively.

The money market account balances were fully insured at December 31, 2003 and 2002 by the Securities Investor Protection Corporation.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
 NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

3. PROPERTY AND EQUIPMENT:

Below is a summary of activity in the fire company's property and equipment accounts during the years ended December 31, 2003 and 2002:

	2003			Balance 12/31/03
	Balance 1/1/03	Additions	Deletions	
Land	\$ 271,303	\$ --	\$ --	\$ 271,303
Buildings	649,812	--	--	649,812
Vehicles	1,509,943	509,577	--	2,019,520
Firefighting equipment	451,982	--	--	451,982
Furniture and fixtures	24,203	--	--	24,203
	2,907,243	509,577	--	3,416,820
Accumulated depreciation	1,497,326	119,842	--	1,617,168
Net property and equipment	\$ 1,409,917	\$ 389,735	\$ --	\$ 1,799,652

	2002			Balance 12/31/02
	Balance 1/1/02	Additions	Deletions	
Land	\$ 271,303	\$ --	\$ --	\$ 271,303
Buildings	649,812	--	--	649,812
Vehicles	1,666,941	28,606	185,604	1,509,943
Firefighting equipment	438,128	13,854	--	451,982
Furniture and fixtures	24,203	--	--	24,203
	3,050,387	42,460	185,604	2,907,243
Accumulated depreciation	1,546,268	124,662	173,604	1,497,326
Net property and equipment	\$ 1,504,119	\$ (82,202)	\$ 12,000	\$ 1,409,917

Depreciation expense totaled \$119,842 and \$124,662 for the years ended December 31, 2003 and 2002, respectively.

The fire company owns a building with a cost of \$149,210 that is located on land that the fire company has been allowed the use of at no cost under a verbal agreement with no established termination date.

4. DONATED SERVICES:

Volunteer firefighters of the fire company responded to calls for service 717 and 790 times during 2003 and 2002, respectively. The value of these volunteer services is computed using the minimum pay for the fire company's paid personnel during the year, multiplied by an average

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

4. DONATED SERVICES:

response duration of 2.0 for 2003 and 1.50 for 2002, with the result multiplied by the average number of volunteers per call during the year. For 2003 and 2002, the minimum hourly pay was \$6.50 per hour for straight time. Additionally, for the years ended December 31, 2003 and 2002, donated services by officers amounted to \$14,196 and \$18,382, respectively. The hours provided by officers approximated 2,184 and 2,828 at an hourly rate of \$6.50 during 2003 and 2002. The resulting values for volunteer firefighting services of \$28,834 and \$36,206 for the years ended December 31, 2003 and 2002, respectively, is reported as revenue and firefighting expense.

This value should be recognized as the minimum value of volunteer services, as it includes only the time volunteers were actually responding to calls for assistance. No value has been placed on overtime or downtime maintenance. The actual cost of replacing the fire company's volunteers with paid firefighters would be significantly higher.

All members of the Board of Directors serve without compensation.

5. FIRE PROTECTION CONTRACT:

Substantially all of the fire company's public support is derived from funds provided by Jefferson Parish. On September 2, 1994, the fire company signed a ten year contract with Jefferson Parish, effective April 1, 1994, under which the fire company receives one-third of certain ad valorem taxes assessed within the 8th Fire Protection District of Jefferson Parish, as well as additional funding from sales tax and fire insurance rebates. Total public support received under this contract totaled \$1,034,950 and \$1,035,000 for the years ended December 31, 2003 and 2002, respectively.

6. RETIREMENT PLAN:

The fire company has a contributory retirement plan covering all paid employees. The fire company contributes up to 3% of participating employees' annual salaries. The retirement expense for the plan for the years ended December 31, 2003 and 2002 was \$12,955 and \$11,402, respectively.

7. NOTE RECEIVABLE:

The fire company sold a ladder truck to another volunteer fire company in Jefferson Parish for a \$50,000 promissory note. The non-interest bearing, unsecured note was repaid in one lump sum by funds that Jefferson Parish provided during 2003.

8. RECLASSIFICATION:

Certain amounts in the 2002 financial statements have been reclassified to conform to the 2003 presentation.



DUPLANTIER, HRAPMANN,
HOGAN & MAHER, L.L.P.

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

April 6, 2004

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

We have audited the financial statements of Marrero-Harvey Volunteer Fire Company No. 1 (a Louisiana nonprofit corporation) as of and for the year ended December 31, 2003, and have issued our report thereon dated April 6, 2004.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the fire company's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the fire company'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 assurance 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 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.

This report is intended for the information of the Board of Directors, management and applicable parish, state or federal agencies 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.

Duplantier, Hrapmann, Hogan & Maher, L.L.P.

MARRERO-HARVEY VOLUNTEER FIRE COMPANY NO. 1
SUMMARY SCHEDULE OF FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of Marrero-Harvey Volunteer Fire Company No. 1 for the year ended December 31, 2003 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 GOVERNMENTAL AUDITING
STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA :

None