

FINANCIAL  
REPORT

NINE MILE POINT VOLUNTEER  
FIRE COMPANY NO. 1

DECEMBER 31, 2020 AND 2019

NINE MILE POINT VOLUNTEER  
FIRE COMPANY NO. 1

REPORT INDEX

DECEMBER 31, 2020 AND 2019

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT .....	1 - 2
FINANCIAL STATEMENTS:	
Statements of Financial Position .....	3
Statements of Activities .....	4
Statements of Functional Expenses .....	5 - 6
Statements of Cash Flows .....	7
Notes to Financial Statements .....	8 - 15
OTHER SUPPLEMENTARY INFORMATION:	
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer .....	16
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 <i>GOVERNMENT AUDITING STANDARDS</i> .....	17 - 18
SCHEDULE OF CURRENT YEAR FINDINGS.....	19
STATUS OF PRIOR YEAR FINDINGS .....	20



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May 25, 2021

Board of Directors  
Nine Mile Point Volunteer  
Fire Company No. 1  
Nine Mile Point, Louisiana

We have audited the accompanying financial statements of the Nine Mile Point Volunteer Fire Company No. 1 (a Louisiana nonprofit corporation), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 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 from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Nine Mile Point Volunteer Fire Company No. 1 as of December 31, 2020 and 2019, 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.

## **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation, benefits, and other payments to the agency head or chief executive officer on page 16 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 May 25, 2021, on our consideration of the Nine Mile Point Volunteer Fire Company No. 1's internal control over financial reporting and on 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 that testing and not to provide an opinion on 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 the Nine Mile Point Volunteer Fire Company No. 1's internal control over financial reporting and compliance.



New Orleans, Louisiana

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2020 AND 2019

	<u>ASSETS</u>	<u>2020</u>	<u>2019</u>
CURRENT ASSETS:			
Cash		\$ 254,459	\$ 224,491
Accounts receivable		-	11,137
Total current assets		<u>254,459</u>	<u>235,628</u>
PROPERTY AND EQUIPMENT: (net of accumulated depreciation of \$1,042,969 and \$1,175,589)		<u>841,462</u>	<u>923,458</u>
TOTAL ASSETS		<u><u>\$1,095,921</u></u>	<u><u>\$1,159,086</u></u>
<u>LIABILITIES AND NET ASSETS</u>			
CURRENT LIABILITIES:			
Accounts payable		\$ 10,534	\$ 10,240
Accrued payroll and payroll tax liabilities		51,322	38,250
Compensated absences payable		63,501	42,723
Capital lease payable		29,317	28,325
Total current liabilities		<u>154,674</u>	<u>119,538</u>
LONG-TERM LIABILITIES:			
Capital lease payable		-	29,317
Total long-term liabilities		<u>-</u>	<u>29,317</u>
Total liabilities		<u>154,674</u>	<u>148,855</u>
NET ASSETS:			
Without donor restrictions		<u>941,247</u>	<u>1,010,231</u>
TOTAL LIABILITIES AND NET ASSETS		<u><u>\$1,095,921</u></u>	<u><u>\$1,159,086</u></u>

See accompanying notes.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
SUPPORT:		
Contract income:		
Firefighting support	\$ 782,510	\$ 786,000
Capital purchases	73,014	137,672
Insurance rebate	16,154	16,125
CARES Act	226,554	-
Other income	11,945	22,205
Total support	<u>1,110,177</u>	<u>962,002</u>
 EXPENSES:		
Program services - firefighting	1,059,956	888,970
Supporting services - management and general	<u>119,205</u>	<u>123,089</u>
Total expenses	<u>1,179,161</u>	<u>1,012,059</u>
 Decrease in net assets without donor restrictions	(68,984)	(50,057)
 Net assets without donor restrictions - beginning of year	<u>1,010,231</u>	<u>1,060,288</u>
 NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	<u>\$ 941,247</u>	<u>\$1,010,231</u>

See accompanying notes.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Firefighting</u>	<u>Management and General</u>	<u>Total</u>
EXPENSES:			
Accounting and legal	\$ 15,009	\$ 882	\$ 15,891
Bank and credit card charges	-	119	119
Depreciation	77,444	4,553	81,997
Dues and subscriptions	-	2,370	2,370
Equipment repair	21,656	-	21,656
Firefighting supplies	33,014	-	33,014
Fuel	5,717	-	5,717
Insurance	152,668	8,976	161,644
Interest	-	2,018	2,018
Licenses	1,122	-	1,122
Maintenance	14,373	-	14,373
Meals and consumables	1,387	-	1,387
Medical expenses	5,955	-	5,955
Miscellaneous	-	14,562	14,562
Morale	2,188	-	2,188
Office expense	-	43,097	43,097
Payroll taxes	47,943	2,819	50,762
Retirement expense	30,973	1,821	32,794
Salaries and wages	622,599	36,604	659,203
Training and education	4,370	-	4,370
Utilities	23,538	1,384	24,922
	<hr/>	<hr/>	<hr/>
TOTAL	<u>\$1,059,956</u>	<u>\$ 119,205</u>	<u>\$1,179,161</u>

See accompanying notes.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Firefighting</u>	<u>Management and General</u>	<u>Total</u>
EXPENSES:			
Accounting and legal	\$ -	\$ 16,719	\$ 16,719
Bank and credit card charges	-	208	208
Depreciation	83,471	5,192	88,663
Dues and subscriptions	-	3,476	3,476
Equipment repair	18,711	-	18,711
Firefighting supplies	16,333	-	16,333
Fuel	7,908	-	7,908
Insurance	140,241	8,722	148,963
Interest	-	2,975	2,975
Licenses	2,309	-	2,309
Maintenance	17,794	-	17,794
Meals and consumables	933	-	933
Miscellaneous	-	6,960	6,960
Morale	2,133	-	2,133
Office expense	-	41,792	41,792
Payroll taxes	52,734	3,280	56,014
Retirement expense	27,567	1,714	29,281
Salaries and wages	493,408	30,685	524,093
Training and education	3,468	-	3,468
Utilities	21,960	1,366	23,326
	<u>21,960</u>	<u>1,366</u>	<u>23,326</u>
 TOTAL	 <u>\$ 888,970</u>	 <u>\$ 123,089</u>	 <u>\$1,012,059</u>

See accompanying notes.



NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Decrease in net assets without restriction	\$ (68,984)	\$ (50,057)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	81,996	88,663
Increase in operating assets:		
Accounts receivable	11,137	(3,832)
Increase (decrease) in operating liabilities:		
Accounts payable	294	6,456
Accrued payroll and payroll tax liabilities	13,072	1,648
Compensated absences payable	<u>20,778</u>	<u>3,535</u>
Net cash provided by operating activities	<u>58,293</u>	<u>46,413</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on capital leases	<u>(28,325)</u>	<u>(27,368)</u>
Net cash used by financing activities	<u>(28,325)</u>	<u>(27,368)</u>
NET INCREASE IN CASH	29,968	19,045
Cash and cash equivalents - at beginning of year	<u>224,491</u>	<u>205,446</u>
CASH AND CASH EQUIVALENTS - AT END OF YEAR	<u>\$ 254,459</u>	<u>\$ 224,491</u>

See accompanying notes.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

ORGANIZATION:

Nine Mile Point Volunteer Fire Company No. 1 (the "Fire Company") was established to provide firefighting and rescue services to a designated area of the Seventh 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 two fire stations and has approximately 10 full-time employees, 10 part-time employees, and 10 volunteers. The Fire Company's main source of revenue is a fire protection contract with Jefferson Parish, effective for the period September 2, 2014 through September 1, 2023.

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.

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Fire Company and changes therein are classified and reported as follows:

- a) *Net assets without donor restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Revenues are reported as increases in net assets without restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions.
- b) *Net assets with donor restrictions* – Net assets subject to donor (or certain grantor) imposed 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 stipulated 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.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Allocation of Expenses: (Continued)

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 allocate to firefighting services and general and administrative based on time devoted by the fire department's staff.

Program services consist of providing firefighting services to the Seventh Fire Protection District of Jefferson Parish.

General and administrative consists of general administrative expenses incurred.

New Accounting Pronouncements:

During the year ended December 31, 2018, the fire company adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14)*. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is a change in the net asset classes used in the financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with restrictions. A footnote on liquidity and availability of financial statements has also been added to the financial statements (Note 12).

As of January 1, 2019, the Fire Company adopted FASB ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). This guidance outlines a single, comprehensive model for accounting for revenue from contracts with customers. The Fire Company's primary source of revenue is from its contract with Jefferson Parish. The Fire Company has analyzed the provisions of FASB's ASU Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes to their revenue recognition are needed to conform with the new standard.

Contributions:

During the year ended December 31, 2019, the Company adopted the requirements of ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The update clarifies and improves guidance for contributions received and contributions made, and provides guidance to organizations on how to account for certain exchange transactions. As a result of adopting ASU 2018-08, there was no cumulative-effect adjustment to opening net assets without donor restrictions as of January 1, 2019.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Sources of Revenue:

Substantially all of the fire department's revenue is derived from funds provided by the Fire Protection District No. 7 of Jefferson Parish to provide firefighting and rescue services to the designated area of the Seventh Fire Protection District and is considered to be an exchange transaction within the scope of ASC Topic 606, *Revenue from Contracts with Customers*. 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 Seventh Fire Protection District of Jefferson Parish. The revenue is recognized as the services are performed monthly.

In addition, the fire department routinely receives revenues 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 fire district and totaled \$16,154 and \$16,125 respectively in 2020 and 2019.

During 2020, the fire department received \$226,554 from Jefferson Parish as part of the CARES Act related to Coronavirus relief.

Income Taxes:

Based on a ruling by the Internal Revenue Service, the Fire Company is not required to file a tax return.

Cash:

For the purposes of reporting of cash flows, the Fire Company considers cash in operating bank accounts, demand deposits, cash on hand, and highly-liquid debt instruments purchased with a maturity of three months or less as cash and cash equivalents. Supplemental disclosures of cash flow information are as follows:

Cash paid during the year for:

	<u>2020</u>	<u>2019</u>
Interest	\$ 2,018	\$ 2,975
Income Taxes	\$ -	\$ -

Property and Equipment:

Property and equipment, consisting primarily of fire stations and residences, furniture, fixtures, and equipment, are recorded at cost when purchased and at fair market value when received as a donation. The Fire Department capitalizes property and equipment purchases over \$1,000 and expenses those purchases under \$1,000. Expenditures for maintenance, repairs, and minor renewals are charged against earnings as incurred. Depreciation is computed using the straight-line method over the useful lives of the assets. The lives range from 3 to 40 years.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Property and Equipment: (Continued)

Depreciation expense for 2020 and 2019 was \$81,997 and \$88,662, respectively.

Property and equipment does not include fire trucks, vehicles or equipment donated by the fire department to the Fire Protection District No. 7 of Jefferson Parish. Historically, the fire department has received subsidies from the Fire Protection District No. 7 of Jefferson Parish for the purchase of fire trucks and various equipment. The assets are then purchased by the fire department and donated back to the Fire Protection District No. 7 of Jefferson Parish. This is done because the funding source of these subsidies is parish ad valorem taxes, and the property must stay in the "public domain". The fire trucks and vehicles are utilized by the fire department but they are insured by and titled in the name of the Parish of Jefferson. These assets are reported for in the financial statements of the Parish of Jefferson.

Annual Leave:

Each full-time employee earns annual leave as follows:

<u>Years of Continuous Service</u>	<u>Hours</u>
0 – 12 months	0
1 – 10 years	216
Over 10 years*	216+

\* Employees earn 12 hours of additional leave for each year over 10 years up to a maximum of 360 hours after 22 years.

In 2012, the Board adopted a policy regarding annual leave balances. Under the new policy, at their anniversary date, employees are paid for any time accumulated over 312 hours.

The liability for accrued annual leave was \$63,501 and \$42,723 as of December 31, 2020 and 2019, respectively.

Due to COVID-19, annual leave was allowed to be carried over into the next fiscal year.

2. CASH:

At December 31, 2020 and 2019, the Fire Company maintained cash balances in one local bank. The bank and book balances were as follows:

	<u>Book</u> <u>Balances</u>	<u>Bank</u> <u>Balances</u>
December 31, 2020	\$ 254,459	\$ 259,941
December 31, 2019	\$ 224,491	\$ 225,418

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

2. CASH: (Continued)

The bank accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation. At December 31, 2020, the Fire Company's bank balances were in excess of the \$250,000 insurance limit by \$9,941. At December 31, 2019, the bank balances were below the \$250,000 insurance limit by \$24,582.

3. PROPERTY AND EQUIPMENT:

Below is a summary of activity in the Fire Company's property and equipment accounts during the year ended December 31, 2020 and 2019

December 31, 2020

	Balance <u>1/1/20</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/20</u>
Land	\$ 85,600	\$ -	\$ -	\$ 85,600
Buildings	442,287	-	-	442,287
Vehicles	1,262,091	-	(213,148)	1,048,943
Firefighting equipment	290,156	-	(1,468)	288,688
Furniture and fixtures	<u>18,913</u>	<u>-</u>	<u>-</u>	<u>18,913</u>
	2,099,047	-	(214,616)	1,884,431
Accumulated depreciation	<u>(1,175,589)</u>	<u>(81,996)</u>	<u>214,616</u>	<u>(1,042,969)</u>
Net property and equipment	<u>\$ 923,458</u>	<u>\$ (81,996)</u>	<u>\$ -</u>	<u>\$ 841,462</u>

December 31, 2019

	Balance <u>1/1/19</u>	<u>Additions</u>	Balance <u>Deletions</u>	<u>12/31/19</u>
Land	\$ 85,600	\$ -	\$ -	\$ 85,600
Buildings	442,287	-	-	442,287
Vehicles	1,262,091	-	-	1,262,091
Firefighting equipment	290,156	-	-	290,156
Furniture and fixtures	<u>18,913</u>	<u>-</u>	<u>-</u>	<u>18,913</u>
	2,099,047	-	-	2,099,047
Accumulated depreciation	<u>(1,086,928)</u>	<u>(88,662)</u>	<u>-</u>	<u>(1,175,589)</u>
Net property and equipment	<u>\$ 1,012,119</u>	<u>\$ (88,661)</u>	<u>\$ -</u>	<u>\$ 923,458</u>

Depreciation expense totaled \$81,996 and \$88,662 for the years ended December 31, 2020 and 2019, respectively.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

3. PROPERTY AND EQUIPMENT: (Continued)

The fire protection agreement with Jefferson Parish states that any acquisitions of immovable property or building, vehicles, equipment or apparatus purchased by the Fire Company with public funds shall be the property of Jefferson Parish and as such are included in expenses in the financial statements.

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. However, a substantial number of volunteers have donated significant amounts of their time in the Fire Company's program services.

5. FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These allocations are based upon management's estimate of usage applicable to conducting the programs and supporting services.

6. FIRE PROTECTION CONTRACT:

Substantially all of the Fire Company's support is derived from funds provided by Jefferson Parish. Under the contract with Jefferson Parish, the Fire Company receives a percentage of certain ad valorem taxes assessed within the Seventh 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 \$855,524 and \$923,672 for the years ended December 31, 2020 and 2019, respectively. The amount received and used for capital improvements under this contract totaled \$73,014 and \$137,672 for the years ended December 31, 2020 and 2019, respectively.

The revenue received from insurance rebates totaled \$16,154 and \$16,125 for 2020 and 2019, respectively. The amount received is based on the number of homes within the fire district.

7. 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, 2020 and 2019 was \$32,794 and \$29,281, respectively.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

8. EXPENSES PAID BY OTHERS:

The full-time firefighters of the Fire Company receive supplemental pay from the State of Louisiana under the provisions of L.R.S. 33:2002. The amount of pay received does not vary based upon years of service and is based upon state law. As these supplemental state funds are paid directly to the firefighters and do not pass through the Fire Company, the funds are not included in these financial statements.

9. ECONOMIC DEPENDENCY:

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 fire-fighting and rescue services. See Note 6. The Fire Company is not aware of any plans on the part of Jefferson Parish to terminate the contract.

10. USE OF ESTIMATES:

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

11. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Fire Company's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year.

	<u>2020</u>	<u>2019</u>
Financial assets, at year end:		
Cash and cash equivalents	\$254,459	\$224,491
Accounts receivable	-	11,137
Total financial assets at year end	<u>254,459</u>	<u>235,628</u>
 Total financial assets available to meet cash needs for general expenditures within one year	 <u>\$254,459</u>	 <u>\$235,628</u>



NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

12. CAPITAL LEASES:

During 2016, the Fire Company purchased a new fire truck under the Jefferson Parish contract. On September 16, 2016, the Fire Company entered into a loan agreement with Whitney Bank to finance the remaining \$137,000 for the purchase of fire truck. The term of the loan is five years with 3.5% interest and \$30,343 annual installments due on the 16<sup>th</sup> of September. The balance of the capital lease obligation was \$29,317 and \$57,642 as of December 31, 2020 and 2019, respectively. Jefferson Parish reimburses the Fire Company for the purchase through the capital purchase fund.

Future minimum payments on this lease as of December 31, 2020 are as follows:

2021	\$ <u>29,317</u>
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13. UNCERTAINTIES:

A novel strain of coronavirus was reported in New Orleans in March 2020, and continues to spread throughout the United States. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. The related financial impact and duration cannot be reasonably estimated at this time.

14. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through May 25, 2021, which is the date on which the financial statements were available to be issued, and determined no events occurred that would have significantly affected these financial statements, other than those previously disclosed.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS  
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED DECEMBER 31, 2020

**Agency head name:**     Keith R. Plaisance, Jr., Fire Chief

<b><u>Purpose</u></b>	<b><u>Amount</u></b>
Salary	\$ 60,546
Salary - State Supplemental pay	6,000
Benefit - insurance	27,045
Benefits - retirement	<u>1,980</u>
	<u>\$ 95,571</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*

May 25, 2021

To the Board of Directors  
Nine Mile Point Volunteer  
Fire Company No. 1  
Nine Mile Point, 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 the Nine Mile Point Volunteer Fire Company No. 1 (a Louisiana nonprofit corporation), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 25, 2021.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Nine Mile Point Volunteer Fire Company No. 1's (the Fire Company) internal control over financial reporting (internal control) to determine the 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 Fire Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fire Company's internal control.

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Members  
American Institute of  
Certified Public Accountants  
Society of LA CPAs

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 not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Nine Mile Point Volunteer Fire Company No. 1's financial statements are free from 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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 Fire 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 Fire 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.

  
New Orleans, LA

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
SCHEDULE OF CURRENT YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2020

SUMMARY OF AUDITOR'S RESULTS:

1. The opinion issued on the financial statements of the Nine Mile Point Volunteer Fire Company No. 1 for the year ended December 31, 2020, was unmodified.
2. Internal Control  
Material weaknesses: None noted.  
Significant deficiencies: None noted.
3. Compliance and Other Matters  
None noted.

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

None noted.

NINE MILE POINT VOLUNTEER FIRE COMPANY NO. 1  
STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2020

SUMMARY OF PRIOR YEAR FINDINGS:

None noted.