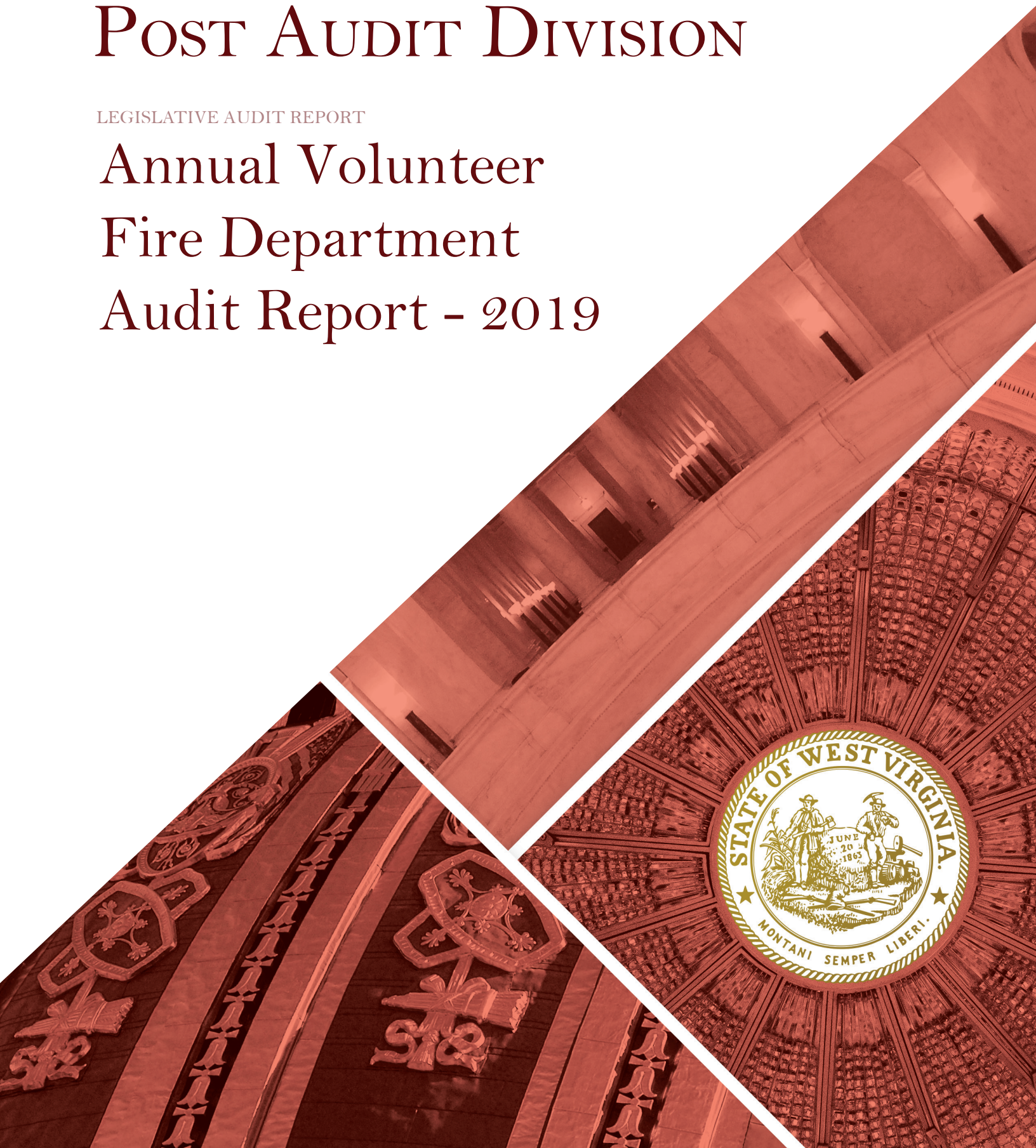


JOINT COMMITTEE ON GOVERNMENT AND FINANCE
WEST VIRGINIA OFFICE OF THE LEGISLATIVE AUDITOR

POST AUDIT DIVISION

LEGISLATIVE AUDIT REPORT

Annual Volunteer Fire Department Audit Report - 2019



JOINT COMMITTEE ON GOVERNMENT AND FINANCE
WEST VIRGINIA OFFICE OF THE LEGISLATIVE AUDITOR

POST AUDIT DIVISION

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Legislative Audit Report

January 7, 2020

Annual Volunteer Fire Department Audit Report - 2019

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Background—State Funding of Volunteer and Part-Volunteer Fire Departments

Every year, the State distributes millions of dollars to hundreds of West Virginia volunteer and part-volunteer fire departments (VFD) for the purpose of providing funding for firefighting equipment, training, and maintenance. Established by W.Va. Code §33-3-33, and collected by the Insurance Commission, one source of the money is a 0.55 percent surcharge imposed on fire and casualty insurance policies issued in West Virginia. Also, W.Va. Code §33-3-14d established an additional premium tax equal to one percent of taxable premiums on fire insurance and casualty insurance policies to be collected by the Insurance Commission. Finally, W.Va. Code §29-3E-7 created a fireworks safety fee of twelve percent of all retail sales of consumer fireworks in the State. All money collected from the surcharge established in W.Va. Code §33-3-33, as well as twenty-five percent of the amount collected from the additional premium established in W.Va. Code §33-3-14d and twenty-five percent of the amount collected from the fireworks safety fee established in W.Va. Code §29-3E-7 comprises the Fire Protection Fund. The amount collected annually is subsequently distributed among qualifying departments through quarterly payments¹. These funds are to be used on specific items outlined in W.Va. Code §8-15-8b, such as protective equipment, rescue equipment, utilities for the fire stations, fire fighter training costs, insurance on buildings and automobiles, fuel, and workers' compensation premiums. Figure 1 below shows the amounts distributed and the number of departments that benefited from these distributions over the last eight years.

Figure 1 – Distribution of State Funds for Volunteer and Part-Volunteer Fire Departments - 2012 to 2019					
Year of Distribution	Total # of Departments	Received Full Distribution	Did Not Receive Full Distribution*	Received No Funding	Total Amount Distributed
2012	430	385	43	2	\$ 18,142,095.01
2013	439	373	65	1	\$ 18,184,727.75
2014	430	420	8	2	\$ 19,696,194.49
2015	430	410	19	1	\$ 19,896,613.74
2016	431	402	29	0	\$ 20,198,716.58
2017	428	400	27	1	\$ 20,600,530.71
2018	428	421	7	0	\$ 22,453,199.93
2019	428	410	18	0	\$ 22,663,900.23
Data Obtained from W.VA. State Treasurer's Office website.					
*A VFD may lose its quarterly distribution if specific conditions are not met, such as not filing a Statement of Expenditures with the Legislative Auditor's Office, not cooperating with an audit, being out of compliance with the State Fire Marshal, or being out of compliance with a DHHR grant.					

In addition, it should be noted that the amount of each fire department's quarterly allotment distributed by the W.Va. State Treasurer's Office varies depending on whether the fire department is a fully-volunteer department or a part-volunteer department. Further, the amount distributed to a part-volunteer department varies based upon a calculation made by the State Treasurer's Office with information from the Municipal Pensions Oversight Board.

¹ Part-volunteer fire departments, departments that are not entirely comprised of volunteer firefighters and have some members who are compensated for their service, receive a pro-rated portion of funds determined by the State Treasurer's Office based on information from the Municipal Pensions Oversight Board.

By February 14th, all departments were required to file an annual *Statement of Expenditures*, often referred to as the financial statement, with the Legislative Auditor's Office showing how the money was spent. In January, the Post Audit Division mailed a letter to each of the departments to remind them of the deadline and instructions on how to file the required documents².

The Legislative Auditor is granted the authority to withhold a department's state funding if the department fails to meet certain requirements stipulated in W.Va. Code. Scenarios that would cause a department to have its funding withheld include the following:

- If a department fails to cooperate with an audit by not providing documents such as bank statements or invoices;
- If a department fails to respond to the Legislative Auditor's correspondence; or
- If a department does not file a *Statement of Expenditures* for the preceding year by July 1st.

Additionally, the State Fire Marshal also has the authority to withhold a department's state funding if the department fails to meet the standards of the State Fire Marshal. Funds withheld from non-compliant VFDs are held in escrow.

After one year of non-compliance, a department forfeits one quarter of its funding for each quarter it remains non-compliant. For example, if a department became non-compliant due to not filing its Statement of Expenditures by July 1, 2018, and remained non-compliant for the entire year, it would lose its first quarterly distribution that was withheld from the July 1, 2018 funding on July 1, 2019. If the department was still non-compliant at the beginning of the next quarter, it would lose the next quarterly distribution that was withheld and so on, until it became compliant. Funds forfeited by non-compliant VFDs are added to the quarterly amounts distributed to the departments that are in compliance for that quarter.

W.Va. Code §12-4-14 grants the Legislative Auditor the authority to conduct audits of the state funding received by VFDs. An audit determines if the department has maintained its state money in a separate account and has spent the money on allowable items. The audit is limited to a review of the bank account in which the department deposits its state funds, commonly referred to as the department's "state account." There are three typical findings that can result from the VFD audits:

- Unallowable Expenditures (when the money is spent on items not allowed by Code);
- Lack of Supporting Documentation (when the VFD has not provided a proper invoice, receipt, or other documentation to support its assertion that an expenditure is allowable and for the benefit of the department); and
- Commingled Funds (when the VFD has mixed state funds with funds from other sources such as by transferring funds from its state account to its non-state or "general" account, thereby making it difficult to trace the money).

² The 2019 calendar year is the final year for the Statement of Expenditures. The passage of Senate bill 345 and House Bill 2439 in 2019 removed the Statement of Expenditures requirement and replaced it with a submission of annual bank statements.

Objective

The objective of the audit of volunteer fire departments is to evaluate compliance with W.Va. Code §8-15-8b which states, in part:

Authorized expenditures of revenues from the municipal pensions and protection fund and the fire protection fund.

*Funds received from the state for volunteer and part volunteer fire companies and departments, pursuant to sections fourteen-d and thirty-three, article three, and section seven, article twelve-c, all of chapter thirty-three of this code, **may not be commingled with funds received from any other source.***

*Revenues allocated to volunteer and part volunteer fire companies and departments **may be expended only for the items listed in subdivisions (1) through (15) of this section**³. (Emphasis Added)*

Scope

Pursuant to the authority granted by W.Va. Code §12-4-14, the Legislative Auditor conducted a compliance audit for the following 33 volunteer fire departments in 2019:

- | | | |
|-----------------------|---------------|------------------------|
| • Bartow-Frank-Durbin | • Elkins | • Roderfield |
| • Beech Creek | • Ellenboro | • South Jackson County |
| • Beverly | • Forest Hill | • St. Mary's |
| • Big Otter | • Glasgow | • Talcott |
| • Boomer | • Glen Dale | • Triadelphia |
| • Boothsville | • Harman | • Tri-County |
| • Burlington | • Hinton | • Wallace |
| • Clinton District | • Jefferson | • Warren District |
| • Coal City | • Middleway | • Welch |
| • Colliers | • Parsons | • Williamstown |
| • Danville | • Pipestem | |
| | • Richwood | |

Some audits were conducted for calendar year 2017 as opposed to 2018 because they were from a sample drawn in 2018 but not completed during that year. Therefore, they were carried over and completed in 2019. In one instance, the audit was performed for a fiscal year because the previous procedure was to conduct audits based on the period during which a department operated for financial reporting purposes. This policy was modified in 2019 so that all departments are now audited on a calendar year basis. Finally, some audits were conducted for multiple years due to heightened levels of assessed risk.

³ Subdivisions 1 through 15 can be found in the Appendix of this report.

Methodology

Post Audit management and the VFD Auditor examined data from previous audits and identified potential indicators for a high-risk of noncompliance. The generalized categories associated with a high assessed level of risk include:

1. Departments that had not had an audit;
2. Departments that had not had a recent audit;
3. Departments that had an audit with large discrepancies; and
4. The Department was delinquent in financial filings.

Additionally, we considered other factors such as communication of possible concerns from members of the Legislature and the general public. The VFD Auditor begins with the department with the highest assessed level of risk and proceeds down the list completing as many departments as possible within the year before updating the risk assessment and beginning with a new list in January of the next year. Any audits that remain incomplete from the preceding year are completed prior to beginning audits from the new list.

Summary of 2019 VFD Audits

Of the 33 volunteer fire departments that were audited, 23 were not in compliance with W.Va. Code. Figure 2 below groups these 23 non-compliant departments into categories of findings.

Figure 2 – Type of Finding(s) Noted for Non-Compliant Fire Departments	
Type of Finding	Number of Departments
Commingled Funds Only	2
Commingled Funds and Unallowable Expenditures	2
Commingled Funds and Unsupported Expenditures	0
Commingled Funds, Unallowable Expenditures, and Unsupported Expenditures	3
Unallowable Expenditures Only	5
Unsupported Expenditures Only	1
Unallowable Expenditures and Unsupported Expenditures	10
Total	<u>23</u>

Table 1 on page 7 provides a summary of the results of the audits of VFDs found to be in compliance, with the results of each audit following. Table 12 on page 18 provides a summary of the audits of VFDs found **not** to be in compliance, and the amount found to be in non-compliance. The results of each of those audits, including the findings and recommendations, begins on page 19.

Previous reports are available on the Post Audit website at:

http://www.legis.state.W.Va.us/Joint/postaudit/vfd_audits.cfm

Volunteer Fire Departments in Compliance with W.Va. Code

The following 10 VFDs were audited for compliance with W.Va. Code §8-15-8b and had no findings to report. Table 1 below notes the department, county in which the department is located, and the total funds audited.

Table 1 – Volunteer Fire Departments in Compliance with W.Va. Code		
Department	County	Total Funds Audited
Beverly	Randolph	\$57,150.10
Boomer	Fayette	\$219,096.61
Clinton District	Monongalia	\$160,607.83
Ellenboro	Ritchie	\$129,235.08
Glen Dale	Marshall	\$105,038.11
Harman	Randolph	\$78,128.36
Hinton	Summers	\$155,197.98
Parsons	Tucker	\$54,693.26
Triadelphia	Ohio	\$157,322.33
Welch	McDowell	\$65,504.36
Total:		<u>\$1,181,974.02</u>

The following report sections detail the results for each department audited found to be in compliance as listed in Table 1.

BEVERLY VOLUNTEER FIRE DEPARTMENT

Beverly VFD, in Randolph County, began 2017 with a balance of \$7,168.43 in its state account. The department received additional funds from the State in the amount of \$49,981.67 during 2017. Therefore, the audited funds totaled \$57,150.10.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 2 – BEVERLY VFD State Funds Audited - Calendar Year 2017		
State Account		
Beginning Balance	\$7,168.43	
State Treasurer Deposits	<u>\$49,981.67</u>	
Total Funds Audited		\$57,150.10
Expenditures		
Proper Expenditures	<u>\$49,146.89</u>	
Total Expenditures		<u>\$49,146.89</u>
Balance Remaining in Account		<u>\$8,003.21</u>

The results presented in this report have been reviewed and discussed with the Beverly VFD.

BOOMER VOLUNTEER FIRE DEPARTMENT

Boomer VFD, in Fayette County, began 2018 with a balance of \$159,879.80 in its state account. The department received additional funds from the State in the amount of \$53,353.05 during 2018. There were refunds and/or reimbursements of expenditures made from the state account deposited, and interest earned on the account, totaling \$5,863.76. Therefore, the audited funds totaled \$219,096.61.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 3 – BOOMER VFD State Funds Audited - Calendar Year 2018		
State Account		
Beginning Balance	\$159,879.80	
State Treasurer Deposits	\$53,353.05	
Refunds/Reimbursements Deposited & Interest Earned	\$5,863.76	
Total Funds Audited		\$219,096.61
Expenditures		
Proper Expenditures	\$27,140.32	
Total Expenditures		\$27,140.32
Balance Remaining in Account		<u>\$191,956.29</u>

The results presented in this report have been reviewed and discussed with the Boomer VFD.

CLINTON DISTRICT VOLUNTEER FIRE DEPARTMENT

Clinton District VFD, in Monongalia County, began 2017 with a balance of \$40,338.20 in its state account. The department received additional funds from the State in the amount of \$103,334.72 during 2017 and 2018. In addition to an erroneous deposit into the wrong account that was corrected the same day, there were refunds and/or reimbursements of expenditures made from the state account deposited, and interest earned on the account, totaling \$16,934.91. Therefore, the audited funds totaled \$160,607.83.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 4 – CLINTON DISTRICT VFD State Funds Audited - Calendar Years 2017 and 2018		
State Account		
Beginning Balance	\$40,338.20	
State Treasurer Deposits	\$103,334.72	
Reimbursements, Erroneous Deposit, & Interest Earned	<u>\$16,934.91</u>	
Total Funds Audited		\$160,607.83
Expenditures		
Proper Expenditures	<u>\$76,243.27</u>	
Total Expenditures		<u>\$76,243.27</u>
Balance Remaining in Account		<u>\$84,364.56</u>

The results presented in this report have been reviewed and discussed with the Clinton District VFD.

ELLENBORO VOLUNTEER FIRE DEPARTMENT

Ellenboro VFD, in Ritchie County, began 2018 with a balance of \$75,853.33 in its state account. The department received additional funds from the State in the amount of \$53,353.05 during 2018. There was interest earned on the account totaling \$28.70. Therefore, the audited funds totaled \$129,235.08.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 5 – ELLENBORO VFD State Funds Audited - Calendar Year 2018		
State Account		
Beginning Balance	\$75,853.33	
State Treasurer Deposits	\$53,353.05	
Interest Earned	<u>\$28.70</u>	
Total Funds Audited		\$129,235.08
Expenditures		
Proper Expenditures	<u>\$100,000.00</u>	
Total Expenditures		<u>\$100,000.00</u>
Balance Remaining in Account		<u>\$29,235.08</u>

The results presented in this report have been reviewed and discussed with the Ellenboro VFD.

GLEN DALE VOLUNTEER FIRE DEPARTMENT

Glen Dale VFD, in Marshall County, began 2018 with a balance of \$51,561.09 in its state account. The department received additional funds from the State in the amount of \$53,353.05 during 2018. There was interest earned on the account totaling \$123.97. Therefore, the audited funds totaled \$105,038.11.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 6 – GLEN DALE VFD State Funds Audited - Calendar Year 2018		
State Account		
Beginning Balance	\$51,561.09	
State Treasurer Deposits	\$53,353.05	
Interest Earned	<u>\$123.97</u>	
Total Funds Audited		\$105,038.11
Expenditures		
Proper Expenditures	<u>\$2,308.35</u>	
Total Expenditures		<u>\$2,308.35</u>
Balance Remaining in Account		<u>\$102,729.76</u>

The results presented in this report have been reviewed and discussed with the Glen Dale VFD.

HARMAN VOLUNTEER FIRE DEPARTMENT

Harman VFD, in Randolph County, began 2017 with a balance of \$25,407.08 in its state account. The department received additional funds from the State in the amount of \$49,981.11 during 2017. There was a reimbursement of an expenditure made from the state account deposited, and interest earned on the account, totaling \$2,740.17. Therefore, the audited funds totaled \$78,128.36.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code, are summarized in the table below.

Table 7 – HARMAN VFD State Funds Audited - Calendar Year 2017		
State Account		
Beginning Balance	\$25,407.08	
State Treasurer Deposits	\$49,981.11	
Reimbursement & Interest Earned	<u>\$2,740.17</u>	
Total Funds Audited		\$78,128.36
Expenditures		
Proper Expenditures	<u>\$57,143.50</u>	
Total Expenditures		<u>\$57,143.50</u>
Balance Remaining in Account		<u>\$20,984.86</u>

The results presented in this report have been reviewed and discussed with the Harman VFD.

HINTON VOLUNTEER FIRE DEPARTMENT

Hinton VFD, in Summers County, began 2018 with a balance of \$99,544.74 in its state account. The department received additional funds from the State in the amount of \$53,353.05 during 2018. There was a refund from an expenditure made from the state account deposited, and interest earned on the account, totaling \$2,300.19. Therefore, the audited funds totaled \$155,197.98.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 8 – HINTON VFD State Funds Audited - Calendar Year 2018		
State Account		
Beginning Balance	\$99,544.74	
State Treasurer Deposits	\$53,353.05	
Refund & Interest Earned	<u>\$2,300.19</u>	
Total Funds Audited		\$155,197.98
Expenditures		
Proper Expenditures	<u>\$78,942.23</u>	
Total Expenditures		<u>\$78,942.23</u>
Balance Remaining in Account		<u>\$76,255.75</u>

The results presented in this report have been reviewed and discussed with the Hinton VFD.

PARSONS VOLUNTEER FIRE DEPARTMENT

Parsons VFD, in Tucker County, began 2018 with a balance of \$1,340.21 in its state account. The department received additional funds from the State in the amount of \$53,353.05 during 2018. Therefore, the audited funds totaled \$54,693.26.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 9 – PARSONS VFD State Funds Audited - Calendar Year 2018		
State Account		
Beginning Balance	\$1,340.21	
State Treasurer Deposits	<u>\$53,353.05</u>	
Total Funds Audited		\$54,693.26
Expenditures		
Proper Expenditures	<u>\$40,005.34</u>	
Total Expenditures		<u>\$40,005.34</u>
Balance Remaining in Account		<u>\$14,687.92</u>

The results presented in this report have been reviewed and discussed with the Parsons VFD.

TRIADELPHIA VOLUNTEER FIRE DEPARTMENT

Triadelphia VFD, in Ohio County, began 2018 with a balance of \$96,749.53 in its state account. The department received additional funds from the State in the amount of \$53,353.05 during 2018. There was interest earned on the account totaling \$45.75 and funds transferred out of the account that were accounted for totaling \$7,174.00. Therefore, the audited funds totaled \$157,322.33.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 10 – TRIADELPHIA VFD State Funds Audited - Calendar Year 2018		
State Account		
Beginning Balance	\$96,749.53	
State Treasurer Deposits	\$53,353.05	
Interest Earned	\$45.75	
Transferred Funds	<u>\$7,174.00</u>	
Total Funds Audited		\$157,322.33
Expenditures		
Proper Expenditures	\$54,008.09	
Transferred Funds Accounted For	<u>\$7,174.00</u>	
Total Expenditures		<u>\$61,182.09</u>
Balance Remaining in Account		<u>\$96,140.24</u>

The results presented in this report have been reviewed and discussed with the Triadelphia VFD.

WELCH VOLUNTEER FIRE DEPARTMENT

Welch VFD, in McDowell County, began 2018 with a balance of \$12,125.25 in its state account. The department received additional funds from the State in the amount of \$53,353.05 during 2018. There was interest earned on the account totaling \$26.06. Therefore, the audited funds totaled \$65,504.36.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and in compliance with W.Va. Code are summarized in the table below.

Table 11 – WELCH VFD State Funds Audited - Calendar Year 2018		
State Account		
Beginning Balance	\$12,125.25	
State Treasurer Deposits	\$53,353.05	
Interest Earned	<u>\$26.06</u>	
Total Funds Audited		\$65,504.36
Expenditures		
Proper Expenditures	<u>\$57,113.89</u>	
Total Expenditures		<u>\$57,113.89</u>
Balance Remaining in Account		<u>\$8,390.47</u>

The results presented in this report have been reviewed and discussed with the Welch VFD.

Volunteer Fire Departments Not in Compliance with W.VA. Code

The following 23 VFDs were audited and found not to be in compliance with W.Va. Code §8-15-8b. Table 12 below notes the department, county in which the department is located, the total funds audited, and the total amount not in compliance with W.Va. Code.

Table 12 - Departments Not in Compliance with W.Va. Code			
Department	County	Total Funds Audited	Amount not in Compliance
Bartow-Frank-Durbin	Pocahontas	\$321,035.31	\$801.25
Beech Creek	Mingo	\$135,889.38	\$2,661.49
Big Otter	Clay	\$110,140.41	\$236.86
Boothsville	Marion	\$58,695.40	\$55.67
Burlington	Mineral	\$168,272.64	\$40,800.00
Coal City	Raleigh	\$59,640.44	\$8,656.21
Colliers	Brooke	\$62,149.41	\$101.98
Danville	Boone	\$50,864.16	\$11,186.61
Elkins	Randolph	\$84,951.66	\$82.10
Forest Hill	Summers	\$73,822.81	\$360.55
Glasgow	Kanawha	\$169,659.57	\$26.00
Jefferson	Kanawha	\$290,475.42	\$2,253.00
Middleway	Jefferson	\$234,169.78	\$2,956.77
Pipestem	Summers	\$67,911.71	\$193.77
Richwood	Nicholas	\$179,195.29	\$12,024.05
Roderfield	McDowell	\$90,285.14	\$1,369.56
South Jackson County	Jackson	\$113,521.21	\$1,234.76
Talcott	Summers	\$53,353.06	\$1,114.92
Tri-County	Greenbrier	\$50,107.47	\$1,432.27
Wallace	Harrison	\$58,121.39	\$1,991.31
Warren District	Upshur	\$157,353.18	\$3,562.37
St. Mary's	Pleasants	\$53,353.05	Commingled Funds Only
Williamstown	Wood	<u>\$81,355.77</u>	Commingled Funds Only
Total:		<u>\$2,724,323.66</u>	<u>\$93,101.50</u>

The following report sections detail the results for each department audited and found to be non-compliant as listed in Table 12.

BARTOW-FRANK-DURBIN VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$245,370.78 in its state account on January 1, 2018. During the period audited, the department received \$39,204.11 in quarterly allotments disbursed by the W.Va. State Treasurer, deposited \$36,148.94 into its state account, and earned \$311.48 in interest. Thus, the total amount of funds audited for the period was \$321,035.31.

The audit of Bartow-Frank-Durbin VFD, in Pocahontas County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$801.25 in expenditures not in compliance with W.Va. Code §8-15-8b and commingling \$36,148.94 of funds from other sources in its state account, which is prohibited by W.Va. Code.

Items or services the department purchased that are not permissible included: embroidery, heat press, job shirts, shirts that appear to be unnecessary for fire protection services, and fire association meeting meals.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 13 – BARTOW-FRANK-DURBIN VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$245,370.78	
State Treasurer Deposits	39,204.11	
Additional Deposits	<u>36,460.42</u>	
Total Funds Audited		\$321,035.31
State Account Expenditures		
Proper Expenditures	\$177,742.86	
Unallowable Expenditures	<u>\$801.25</u>	
Total Expenditures		<u>\$178,544.11</u>
Balance Remaining in State Account		<u>\$142,491.20</u>

Recommendations

1. The Legislative Auditor recommends the department reimburse the state account a total of \$801.25 for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department cease depositing non-state monies into the designated state bank account unless the monies were originally state funds, and, if necessary, establish another bank account for funds not provided by the State.

The findings and recommendations detailed above have been reviewed and discussed with the Bartow-Frank-Durbin VFD. The department is in the process of complying with the recommendations.

BEECH CREEK VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$67,776.79 in its state account on July 1, 2016. During the period audited, the department received \$50,060.59 in quarterly allotments disbursed by the W.Va. State Treasurer and deposited \$18,052.00 in funds from both state and non-state sources in its state account. Thus, the total amount of funds audited for the period was \$135,889.38.

The audit of Beech Creek VFD, in Mingo County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$2,535.69 in expenditures not in compliance with W.Va. Code §8-15-8b, generating \$125.80 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchases with W.Va. Code, and commingling \$16,189.06 of funds from other sources in its state account, which is prohibited by W.Va. Code.

Items or services the department purchased that are not permissible included: accident and health insurance, food and beverages, fleece jackets and tee shirts with embroidery, a quilt, flowers, entertainer baskets, food trays, bags of ice, a purchase from a floral shop, and late fees and charges.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 14 – BEECH CREEK VFD State Funds Audited - Fiscal Year 2017		
State Account Deposits		
Beginning Balance	\$67,776.79	
State Treasurer Deposits	\$50,060.59	
Additional Deposits	<u>\$18,052.00</u>	
Total Funds Audited		\$135,889.38
State Account Expenditures		
Proper Expenditures	\$57,503.49	
Inadequate Expenditure Documentation	\$125.80	
Unallowable Expenditures	<u>\$2,535.69</u>	
Total Expenditures		<u>\$60,164.98</u>
Balance Remaining in State Account		<u>\$75,724.40</u>

Recommendations Made to the Department

1. Normally, the Legislative Auditor would have recommended the department reimburse the state account a total of \$2,661.49 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b. However, the department deposited \$920.00 in donations into the state account. Therefore, the Legislative Auditor recommends the department reimburse the state account a total of \$1,741.49.

2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.
4. The Legislative Auditor recommends the department cease depositing non-state monies into the designated state bank account unless the monies were originally state funds, and, if necessary, establish another bank account for funds not provided by the State.

The findings and recommendations detailed above have been reviewed and discussed with the Beech Creek VFD. The department is in the process of complying with the recommendations.

BIG OTTER VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$56,730.92 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer and earned \$56.44 in interest. Thus, the total amount of funds audited for the period was \$110,140.41.

The audit of Big Otter VFD, in Clay County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$236.86 in expenditures not in compliance with W.Va. Code §8-15-8b. Items or services the department purchased that are not permissible included: food, beverages, and ice.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 15 – BIG OTTER VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$56,730.92	
State Treasurer Deposits	\$53,353.05	
Additional Deposits	<u>\$56.44</u>	
Total Funds Audited		\$110,140.41
State Account Expenditures		
Proper Expenditures	\$67,808.58	
Unallowable Expenditures	<u>\$236.86</u>	
Total Expenditures		<u>\$68,045.44</u>
Balance Remaining in State Account		<u>\$42,094.97</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$236.86 for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Big Otter VFD. The department is in the process of complying with the recommendations.

BOOTHSVILLE VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$5,342.35 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer. Thus, the total amount of funds audited for the period was \$58,695.40.

The audit of Boothsville VFD, in Marion County, found the department to be in non-compliance with W.Va. Code for a total of \$55.67. This was due to the department making \$49.96 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$5.71 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchases with W.Va. Code. Items or services the department purchased that are not permissible included: late payment charges and late fees.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 16 - BOOTHSVILLE VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$5,342.35	
State Treasurer Deposits	<u>\$53,353.05</u>	
Total Funds Audited		\$58,695.40
State Account Expenditures		
Proper Expenditures	\$55,494.92	
Inadequate Expenditure Documentation	\$5.71	
Unallowable Expenditures	<u>\$49.96</u>	
Total Expenditures		<u>\$55,550.59</u>
Balance Remaining in State Account		<u>\$3,144.81</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$55.67 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Boothsville VFD. The department is in the process of complying with the recommendations.

BURLINGTON VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$16,238.64 in its state account on January 1, 2016. During the period audited, the department received \$152,021.87 in quarterly allotments disbursed by the W.Va. State Treasurer. There was interest on the account totaling \$12.13. Thus, the total amount of funds audited for the period was \$168,272.64.

The audit of Burlington VFD, in Mineral County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$40,800.00 in expenditures not in compliance with W.Va. Code §8-15-8b. Items or services the department purchased that are not permissible included: payments on a loan that was primarily for a car wash.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 17 – BURLINGTON VFD State Funds Audited – Calendar Years 2016-2018		
State Account Deposits		
Beginning Balance	\$16,238.64	
State Treasurer Deposits	\$152,021.87	
Additional Deposits	<u>\$12.13</u>	
Total Funds Audited		\$168,272.64
State Account Expenditures		
Proper Expenditures	\$99,365.30	
Unallowable Expenditures	<u>\$40,800.00</u>	
Total Expenditures		<u>\$140,165.30</u>
Balance Remaining in State Account		<u>\$28,107.34</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$40,800 for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Burlington VFD. The department is in the process of complying with the recommendations.

COAL CITY VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$5,713.39 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer and transferred \$574.00 out of the state account. Thus, the total amount of funds audited for the period was \$59,640.44.

The audit of Coal City VFD, in Raleigh County, found the department to be in non-compliance with W.Va. Code for a total of \$8,656.21. This was due to the department making \$5,454.22 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$3,201.99 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchases with W.Va. Code. Items or services the department purchased that are not permissible included: marketing fee, erroneous transfer to general fund, food and beverages, food and beverage-related products, late fees, Association of Government Accountants dues, an extra Sam's Club membership, toy chainsaw, and an extra fee to put a symbol on the department's checks.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 18 – COAL CITY VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$5,713.39	
State Treasurer Deposits	\$53,353.05	
Transferred Funds	<u>\$574.00</u>	
Total Funds Audited		\$59,640.44
State Account Expenditures		
Proper Expenditures	\$38,714.42	
Inadequate Expenditure Documentation	\$3,201.99	
Unallowable Expenditures	<u>\$5,454.22</u>	
Total Expenditures		<u>\$47,370.63</u>
Balance Remaining in State Account		<u>\$12,269.81</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$8,656.21 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Coal City VFD. The department is in the process of complying with the recommendations.

COLLIERS VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$12,143.53 in its state account on January 1, 2017. During the period audited, the department received \$49,981.67 in quarterly allotments disbursed by the W.Va. State Treasurer and earned \$24.21 in interest on its state account. Thus, the total amount of funds audited for the period was \$62,149.41.

The audit of Colliers VFD, in Brooke County, found the department to be in non-compliance with W.Va. Code for a total of \$101.98. This was due to the department making \$89.00 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$12.98 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchases with W.Va. Code. Items or services the department purchased that are not permissible included: two sets of fingerprints for a beer license.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 19 - COLLIERS VFD State Funds Audited - Calendar Year 2017		
State Account Deposits		
Beginning Balance	\$12,143.53	
State Treasurer Deposits	\$49,981.67	
Interest Earned	<u>\$24.21</u>	
Total Funds Audited		\$62,149.41
State Account Expenditures		
Proper Expenditures	\$50,587.52	
Inadequate Expenditure Documentation	\$12.98	
Unallowable Expenditures	<u>\$89.00</u>	
Total Expenditures		<u>\$50,689.50</u>
Balance Remaining in State Account		<u><u>\$11,459.91</u></u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$101.98 for both the purchase with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the

specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Colliers VFD. The department has already reimbursed the state account for the amount recommended.

DANVILLE VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$882.49 in its state account on January 1, 2017. During the period audited, the department received \$49,981.67 in quarterly allotments disbursed by the W.Va. State Treasurer. Thus, the total amount of funds audited for the period was \$50,864.16.

The audit of Danville VFD, in Boone County, found the department to be in non-compliance with W.Va. Code for a total of \$11,186.61. This was due to the department making \$9,844.61 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$1,342 in expenditures that had insufficient supporting documentation to determine either the items purchases or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchases with W.Va. Code. Items or services the department purchased that are not permissible included: whole life insurance in excess of \$20,000 per firefighter, food and beverage-related products, sewer penalties, a payment for a banquet at a conference, late fees/charges, ice bags, meals and lodging for a conference, promotional materials in excess of the \$500 per year cap, credit card purchases for unallowable items, and an overdraft item fee.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 20 - DANVILLE VFD State Funds Audited - Calendar Year 2017		
State Account Deposits		
Beginning Balance	\$882.49	
State Treasurer Deposits	<u>\$49,981.67</u>	
Total Funds Audited		\$50,864.16
State Account Expenditures		
Proper Expenditures	\$39,976.01	
Inadequate Expenditure Documentation	\$1,342.00	
Unallowable Expenditures	<u>\$9,844.61</u>	
Total Expenditures		<u>\$51,162.62</u>
Balance Remaining in State Account		<u>-\$298.46</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$11,186.61 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Danville VFD. The department is in the process of complying with the recommendations.

ELKINS FIRE DEPARTMENT

The department began with a balance of \$43,052.84 in its state account on January 1, 2018. During the period audited, the department received \$41,834.58 in quarterly allotments disbursed by the W.Va. State Treasurer and earned \$64.24 in interest on its state account. Thus, the total amount of funds audited for the period was \$84,951.66.

The audit of Elkins FD, in Randolph County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$82.10 in expenditures not in compliance with W.Va. Code §8-15-8b. Items or services the department purchased that are not permissible included: dress uniform shirts and one additional unallowable expenditure.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 21 – ELKINS FD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$43,052.84	
State Treasurer Deposits	\$41,834.58	
Interest Earned	<u>\$64.24</u>	
Total Funds Audited		\$84,951.66
State Account Expenditures		
Proper Expenditures	\$8,291.78	
Unallowable Expenditures	<u>\$82.10</u>	
Total Expenditures		<u>\$8,373.88</u>
Balance Remaining in State Account		<u>\$76,577.78</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$82.10 for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Elkins FD. The department is in the process of complying with the recommendations.

FOREST HILL VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$20,229.76 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer and made an additional deposit of \$240.00 into the state account. Thus, the total amount of funds audited for the period was \$73,822.81.

The audit of Forest Hill VFD, in Summers County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$360.55 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 22 – FOREST HILL VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$20,229.76	
State Treasurer Deposits	\$53,353.05	
Additional Deposits	<u>\$240.00</u>	
Total Funds Audited		\$73,822.81
State Account Expenditures		
Proper Expenditures	\$57,677.48	
Inadequate Expenditure Documentation	<u>\$360.55</u>	
Total Expenditures		<u>\$58,038.03</u>
Balance Remaining in State Account		<u>\$15,784.78</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$360.55 for the purchases with insufficient documentation.
2. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Forest Hill VFD. The department is in the process of complying with the recommendations.

GLASGOW VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$57,166.38 in its state account on January 1, 2017. During the period audited, the department received \$103,334.72 in quarterly allotments disbursed by the W.Va. State Treasurer, made additional deposits totaling \$8,936.25 into the state account, and earned \$222.22 in interest on the state account. Thus, the total amount of funds audited for the period was \$169,659.57.

The audit of Glasgow VFD, in Kanawha County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$25.00 in expenditures not in compliance with W.Va. Code §8-15-8b, generating \$1.00 in expenditures that had insufficient supporting documentation to determine either the item purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code, and commingling \$8,931.25 of funds from other sources in its state account, which is prohibited by W.Va. Code. Items or services the department purchased that are not permissible included: a late fee to the Secretary of State's Office.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 23 - GLASGOW VFD State Funds Audited - Calendar Years 2017-2018		
State Account Deposits		
Beginning Balance	\$57,166.38	
State Treasurer Deposits	\$103,334.72	
Additional Deposits	<u>\$9,158.47</u>	
Total Funds Audited		\$169,659.57
State Account Expenditures		
Proper Expenditures	\$65,130.39	
Inadequate Expenditure Documentation	\$1.00	
Unallowable Expenditures	<u>\$25.00</u>	
Total Expenditures		<u>\$65,156.39</u>
Balance Remaining in State Account		<u>\$104,503.18</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$26.00 for both the purchase with insufficient documentation and for the purchase not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the

specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

4. The Legislative Auditor recommends the department cease depositing non-state monies into the designated state bank account unless the monies were originally state funds, and, if necessary, establish another bank account for funds not provided by the State.

The findings and recommendations detailed above have been reviewed and discussed with the Glasgow VFD. The department is in the process of complying with the recommendations.

JEFFERSON VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$223,672.37 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer and deposited \$13,450.00 in refunds in its state account. Thus, the total amount of funds audited for the period was \$290,475.42.

The audit of Jefferson VFD, in Kanawha County, found the department to be in non-compliance with W.Va. Code. This was due to the department making a \$2,253.00 expenditure not in compliance with W.Va. Code §8-15-8b. Items or services the department purchased that are not permissible included: accident and sickness insurance.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 24 - JEFFERSON VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$223,672.37	
State Treasurer Deposits	\$53,353.05	
Additional Deposits	<u>\$13,450.00</u>	
Total Funds Audited		\$290,475.42
State Account Expenditures		
Proper Expenditures	\$56,167.87	
Unallowable Expenditures	<u>\$2,253.00</u>	
Total Expenditures		<u>\$58,420.87</u>
Balance Remaining in State Account		<u>\$232,054.55</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$2,253.00 for the purchase not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Jefferson VFD. The department is in the process of complying with the recommendations.

MIDDLEWAY VOLUNTEER FIRE COMPANY

The department began with a balance of \$19,639.63 in its state account on January 1, 2017. During the period audited, the department received \$50,566.87 in quarterly allotments disbursed by the W.Va. State Treasurer, deposited \$163,948.00 in additional funds in the state account, and earned \$15.28 in interest. Thus, the total amount of funds audited for the period was \$234,169.78.

The audit of Middleway VFC, in Jefferson County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$187.52 in expenditures not in compliance with W.Va. Code §8-15-8b, generating \$2,769.25 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code, and commingling \$163,948.00 of funds from other sources in its state account, which is prohibited by W.Va. Code. Items or services the department purchased that are not permissible included: late fees, a reactivation fee adjustment, and a late payment charge.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 25 - MIDDLEWAY VFC State Funds Audited - Calendar Year 2017		
State Account Deposits		
Beginning Balance	\$19,639.63	
State Treasurer Deposits	\$50,566.87	
Additional Deposits	<u>\$163,963.28</u>	
Total Funds Audited		\$234,169.78
State Account Expenditures		
Proper Expenditures	\$169,401.74	
Inadequate Expenditure Documentation	\$2,769.25	
Unallowable Expenditures	<u>\$187.52</u>	
Total Expenditures		<u>\$172,358.51</u>
Balance Remaining in State Account		<u>\$61,811.27</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$2,956.77 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the

specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

4. The Legislative Auditor recommends the department cease depositing non-state monies into the designated state bank account unless the monies were originally state funds, and, if necessary, establish another bank account for funds not provided by the State.

The findings and recommendations detailed above have been reviewed and discussed with the Middleway VFC. The department is in the process of complying with the recommendations.

PIPESTEM VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$7,923.55 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer and made \$6,635.11 in additional deposits into its state account. Thus, the total amount of funds audited for the period was \$67,911.71.

The audit of Pipestem VFD, in Summers County, found the department to be in non-compliance with W.Va. Code for a total of \$193.77. This was due to the department making \$90.00 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$103.77 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code. The item or service the department purchased that is not permissible included: an apparent charitable registration allowing the fire department to conduct fundraising activities. State funds are not allowed to be used for fundraising.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 26 - PIPESTEM VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$7,923.55	
State Treasurer Deposits	\$53,353.05	
Additional Deposits	<u>\$6,635.11</u>	
Total Funds Audited		\$67,911.71
State Account Expenditures		
Proper Expenditures	\$54,389.88	
Inadequate Expenditure Documentation	\$103.77	
Unallowable Expenditures	<u>\$90.00</u>	
Total Expenditures		<u>\$54,583.65</u>
Balance Remaining in State Account		<u>\$13,328.06</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$193.77 for both the purchases with insufficient documentation and for the purchase not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the

specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Pipestem VFD. The department is in the process of complying with the recommendations.

RICHWOOD VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$27,173.42 in its state account on January 1, 2016. During the period audited, the department received \$152,021.87 in quarterly allotments disbursed by the W.Va. State Treasurer. Thus, the total amount of funds audited for the period was \$179,195.29.

The audit of Richwood VFD, in Nicholas County, found the department to be in non-compliance with W.Va. Code for a total of \$12,024.05. This was due to the department making \$7,836.32 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$4,187.73 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code.

Items or services the department purchased that are not permissible included: accident & sickness insurance, fire prevention and promotional items in excess of the \$500 per year cap, insurance for an antique vehicle, late payment charges, cable television and related taxes and fees, a payment for another entity, penalties, and ice.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 27 - RICHWOOD VFD State Funds Audited - Calendar Years 2016 - 2018		
State Account Deposits		
Beginning Balance	\$27,173.42	
State Treasurer Deposits	<u>\$152,021.87</u>	
Total Funds Audited		\$179,195.29
State Account Expenditures		
Proper Expenditures	\$156,519.35	
Inadequate Expenditure Documentation	\$4,187.73	
Unallowable Expenditures	<u>\$7,836.32</u>	
Total Expenditures		<u>\$168,543.40</u>
Balance Remaining in State Account		<u>\$10,651.89</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$12,024.05 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Richwood VFD. The department is in the process of complying with the recommendations.

RODERFIELD VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$35,749.83 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer and made \$1,182.26 in additional deposits into its state account. Thus, the total amount of funds audited for the period was \$90,285.14.

The audit of Roderfield VFD, in McDowell County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$1,369.56 in expenditures not in compliance with W.Va. Code §8-15-8b and commingling \$150 of funds from other sources in its state account, which is prohibited by W.Va. Code. Items or services the department purchased that are not permissible included: a donation from the fire department for a house fire, promotional items in excess of the \$500 per year cap, beverages, late payment charge, and candy. The majority of the additional deposits into the state account were refunds and/or reimbursements for purchases made with state funds. However, the \$150 commingled were fire dues collected from the community, which should not have been deposited into the department's state account.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 28 - RODERFIELD VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$35,749.83	
State Treasurer Deposits	\$53,353.05	
Additional Deposits	<u>\$1,182.26</u>	
Total Funds Audited		\$90,285.14
State Account Expenditures		
Proper Expenditures	\$28,727.53	
Unallowable Expenditures	<u>\$1,369.56</u>	
Total Expenditures		<u>\$30,097.09</u>
Balance Remaining in State Account		<u>\$60,188.05</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$1,369.56 for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

3. The Legislative Auditor recommends the department cease depositing non-state monies into the designated state bank account unless the monies were originally state funds, and, if necessary, establish another bank account for funds not provided by the State.

The findings and recommendations detailed above have been reviewed and discussed with the Roderfield VFD. The department is in the process of complying with the recommendations.

SOUTH JACKSON COUNTY VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$10,186.49 in its state account on January 1, 2017. During the period audited, the department received \$103,334.72 in quarterly allotments disbursed by the W.Va. State Treasurer. Thus, the total amount of funds audited for the period was \$113,521.21.

The audit of South Jackson County VFD, in Jackson County, found the department to be in non-compliance with W.Va. Code. This was due to the department making \$1,234.76 in expenditures not in compliance with W.Va. Code §8-15-8b. Items or services the department purchased that are not permissible included: fundraising expenses.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 29 – SOUTH JACKSON COUNTY VFD State Funds Audited - Calendar Years 2017 - 2018		
State Account Deposits		
Beginning Balance	\$10,186.49	
State Treasurer Deposits	<u>\$103,334.72</u>	
Total Funds Audited		\$113,521.21
State Account Expenditures		
Proper Expenditures	\$109,839.58	
Unallowable Expenditures	<u>\$1,234.76</u>	
Total Expenditures		<u>\$111,074.34</u>
Balance Remaining in State Account		<u>\$2,446.87</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$1,234.76 for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the South Jackson County VFD. The department is in the process of complying with the recommendations.

ST. MARYS VOLUNTEER FIRE DEPARTMENT

The audit of St. Mary's VFD, in Pleasants County, found the department to be in non-compliance with W.Va. Code. This was due to the department commingling its state funds with funds from other sources by directing the State Auditor's Office to deposit its quarterly state distributions of \$53,353.05 into a non-state account, which is prohibited by W.Va. Code. The Legislative Auditor was unable to determine the beginning and the ending balances due to the commingling of state funds⁴.

Recommendations Made to the Department

1. The Legislative Auditor recommends the department maintain all state funds in a separate bank account to ensure there is no commingling with funds received from other sources.

The findings and recommendations detailed above have been reviewed and discussed with the St. Mary's VFD. The department has complied with the recommendations.

⁴ According to the City of St. Mary's, the state funds were deposited into the City's "one primary checking account that all funds run through" and designated for the Fire Department.

TALCOTT VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$0.01 in its state account on January 1, 2018. During the period audited, the department received \$25,297.79 in quarterly allotments disbursed by the W.Va. State Treasurer and deposited \$28,055.26 in the state account. Thus, the total amount of funds audited for the period was \$53,353.06.

The audit of Talcott VFD, formerly known as Greenbrier Valley Rural VFD, in Summers County, found the department to be in non-compliance with W.Va. Code for a total of \$1,114.92. This was due to the department making \$417.72 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$697.20 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code. Items or services the department purchased that are not permissible included: hauling water for cattle and new septic tanks in the community, a late payment charge, ice, food, late fees, food-related items, and a water penalty.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 30 - TALCOTT VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$0.01	
State Treasurer Deposits	\$25,297.79	
Additional Deposits	<u>\$28,055.26</u>	
Total Funds Audited		\$53,353.06
State Account Expenditures		
Proper Expenditures	\$51,838.62	
Inadequate Expenditure Documentation	\$697.20	
Unallowable Expenditures	<u>\$417.72</u>	
Total Expenditures		<u>\$52,953.54</u>
Balance Remaining in State Account		<u>\$399.52</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$1,114.92 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Talcott VFD. The department is in the process of complying with the recommendations.

TRI-COUNTY VOLUNTEER FIRE COMPANY

The department began with a balance of \$122.82 in its state account on January 1, 2017. During the period audited, the department received \$49,981.67 in quarterly allotments disbursed by the W.Va. State Treasurer and earned \$2.98 in interest on its state bank account. Thus, the total amount of funds audited for the period was \$50,107.47.

The audit of Tri-County VFC, in Greenbrier County, found the department to be in non-compliance with W.Va. Code for a total of \$1,432.27. This was due to the department making \$781.55 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$650.72 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code. Items or services the department purchased that are not permissible included: television and related taxes, mints, flowers, what appears to be dress uniforms, and a late payment charge.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 31 – TRI-COUNTY VFC State Funds Audited - Calendar Year 2017		
State Account Deposits		
Beginning Balance	\$122.82	
State Treasurer Deposits	\$49,981.67	
Additional Deposits	<u>\$2.98</u>	
Total Funds Audited		\$50,107.47
State Account Expenditures		
Proper Expenditures	\$45,840.88	
Inadequate Expenditure Documentation	\$650.72	
Unallowable Expenditures	<u>\$781.55</u>	
Total Expenditures		<u>\$47,273.15</u>
Balance Remaining in State Account		<u>\$2,834.32</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$1,432.27 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the

specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Tri-County VFC. The department is in the process of complying with the recommendations.

WALLACE VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$826.80 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer and transferred \$3,941.54 out of its state account. Thus, the total amount of funds audited for the period was \$58,121.39.

The audit of Wallace VFD, in Harrison County, found the department to be in non-compliance with W.Va. Code for a total of \$1,991.31. This was due to the department making \$263.29 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$1,728.02 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code. Items or services the department purchased that are not permissible included: auto parts for a concessions trailer and electric service to power a concessions trailer and for the place where fundraisers are held.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

TABLE 32 – WALLACE VFD State Funds Audited – Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$826.80	
State Treasurer Deposits	\$53,353.05	
Transferred Funds	<u>\$3,941.54</u>	
Total Funds Audited		\$58,121.39
State Account Expenditures		
Proper Expenditures	\$47,386.51	
Inadequate Expenditure Documentation	\$1,728.02	
Unallowable Expenditures	<u>\$4,204.83</u>	
Total Expenditures		<u>\$53,319.36</u>
Balance Remaining in State Account		<u>\$4,802.03</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$1,991.31 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.
3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the

specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

4. The Legislative Auditor recommends the department cease transferring state monies from the designated state bank account to a non-state bank account.

The findings and recommendations detailed above have been reviewed and discussed with the department. The department is in the process of complying with the recommendations.

WARREN DISTRICT VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$104,000.13 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer. Thus, the total amount of funds audited for the period was \$157,353.18.

The audit of Warren District VFD, in Upshur County, found the department to be in non-compliance with W.Va. Code for a total of \$3,562.37. This was due to the department making \$3,554.37 in expenditures not in compliance with W.Va. Code §8-15-8b and generating \$8.00 in expenditures that had insufficient supporting documentation to determine either the items purchased or the intent of the purchase, thus preventing a determination being made as to the compliance of the purchase with W.Va. Code. Items or services the department purchased that are not permissible included: accident and sickness insurance, a reimbursement to a citizen for an accident caused by a department vehicle with no police report, fire prevention and promotional items in excess of the \$500 per year cap, the television portion of Suddenlink bills, an insulated unit, and a penalty on a water bill.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 33 – WARREN DISTRICT VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$104,000.13	
State Treasurer Deposits	<u>\$53,353.05</u>	
Total Funds Audited		\$157,353.18
State Account Expenditures		
Proper Expenditures	\$39,106.91	
Inadequate Expenditure Documentation	\$8.00	
Unallowable Expenditures	<u>\$3,554.37</u>	
Total Expenditures		<u>\$42,669.28</u>
Balance Remaining in State Account		<u>\$114,683.90</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department reimburse the state account a total of \$3,562.37 for both the purchases with insufficient documentation and for the purchases not permitted by W.VA. Code §8-15-8b.
2. The Legislative Auditor recommends the department cease expending monies from the state account for items or services not permitted by W.VA. Code §8-15-8b.

3. The Legislative Auditor recommends the department maintain supporting documentation for the expenditures of state monies that is sufficient enough to be able to determine the specific item or service purchased as well as the total cost, purchase date, and permissibility under W.VA. Code §8-15-8b.

The findings and recommendations detailed above have been reviewed and discussed with the Warren District VFD. The department is in the process of complying with the recommendations.

WILLIAMSTOWN VOLUNTEER FIRE DEPARTMENT

The department began with a balance of \$28,002.72 in its state account on January 1, 2018. During the period audited, the department received \$53,353.05 in quarterly allotments disbursed by the W.Va. State Treasurer. Thus, the total amount of funds audited for the period was \$81,355.77.

The audit of Williamstown VFD, in Wood County, found the department to be in non-compliance with W.Va. Code. This was due to the department commingling \$23,450.00 of state funds with funds from other sources by transferring this amount out of its state account into a non-state account.

The department's financial activity in the state account during the audit period, including amounts audited, accounted for, and not in compliance with W.Va. Code, are summarized in the table below.

Table 34 - WILLIAMSTOWN VFD State Funds Audited - Calendar Year 2018		
State Account Deposits		
Beginning Balance	\$28,002.72	
State Treasurer Deposits	<u>\$53,353.05</u>	
Total Funds Audited		\$81,355.77
State Account Expenditures		
Proper Expenditures	\$41,988.00	
Transferred Funds Accounted For	<u>\$23,450.00</u>	
Total Expenditures		<u>\$65,438.00</u>
Balance Remaining in State Account		<u>\$15,917.77</u>

Recommendations Made to the Department

1. The Legislative Auditor recommends the department cease transferring state monies from the designated state bank account to a non-state bank account.

The findings and recommendations detailed above have been reviewed and discussed with the Williamstown VFD. The department is in the process of complying with the recommendations.

Legislative Auditor's Comments

During 2019, there were issues with two VFD's that precluded the completion of an audit of those departments. Those departments were Boggs Run VFD, located in Marshall County, and Jumping Branch - Nimitz VFD, located in Summers County. The issues are as follows:

Boggs Run VFD, Marshall County

Due to continual issues noted at the Boggs Run VFD in previous VFD audit reports, the Legislative Auditor initiated an audit intended to cover the 2017 and 2018 calendar years. During the initial planning phase, the VFD was uncooperative in providing the Legislative Auditor with documentation and responses to inquiries on multiple occasions. In accordance with Chapter 12, Article 4, Section 14 of W.Va. Code, a notice was sent to the State Treasurer on April 1, 2019 to withhold the distribution of funds in response to Boggs Run VFD not cooperating with the Legislative Auditor. At the August 15, 2019 State Fire Commission Meeting, the Disciplinary Committee received a letter from the Boggs Run VFD requesting the voluntary dissolution of the department, which passed on a voice vote. Given the dissolution of the department, the Legislative Auditor is unable to continue an audit of the department.

Jumping Branch-Nimitz VFD, Summers County

During the 2018 calendar year, the Legislative Auditor initiated an audit of the Jumping Branch-Nimitz VFD. While performing the audit of the department's expenditures, the Legislative Auditor identified multiple irregular transactions during the audit period that appeared to be potentially fraudulent in nature and referred the matter to the Commission on Special Investigations (CSI). While the matter was under investigation by CSI, the Legislative Auditor paused all audit work to avoid interference in a criminal investigation. Subsequently the Fire Chief of Jumping Branch was indicted for embezzlement, fraudulent schemes, computer fraud, and falsifying accounts. The Legislative Auditor has resumed the audit of the department and will provide the complete results in the next annual VFD report.

Appendix A – Allowable VFD Expenditures Per W.Va. Code §8-15-8b

West Virginia Code §8-15-8b describes the authorized expenditures that may be made with the money distributed from the fire protection fund to the volunteer fire departments. Expenditures that may be made are in Code as follows:

- (1) Personal protective equipment, including protective head gear, bunker coats, pants, boots, combination of bunker pants and boots, coats and gloves;*
- (2) Equipment for compliance with the national fire protection standard or automotive fire apparatus, NFPA-1901;*
- (3) Compliance with insurance service office recommendations relating to fire departments;*
- (4) Rescue equipment, communications equipment and ambulance equipment: Provided, That no moneys received from the municipal pensions and protection fund or the fire protection fund may be used for equipment for personal vehicles owned or operated by volunteer fire company or department members;*
- (5) Capital improvements reasonably required for effective and efficient fire protection service and maintenance of the capital improvements;*
- (6) Retirement of debts;*
- (7) Payment of utility bills;*
- (8) Payment of the cost of immunizations, including any laboratory work incident to the immunizations, for firefighters against hepatitis-b and other blood borne pathogens: Provided, That the vaccine shall be purchased through the state immunization program or from the lowest cost vendor available: Provided, however, That volunteer and part volunteer fire companies and departments shall seek to obtain no cost administration of the vaccinations through local boards of health: Provided further, That in the event any volunteer or part volunteer fire company or department is unable to obtain no cost administration of the vaccinations through a local board of health, the company or department shall seek to obtain the lowest cost available for the administration of the vaccinations from a licensed health care provider;*
- (9) Any filing fee required to be paid to the Legislative Auditor's Office under section fourteen, article four, chapter twelve of this code relating to sworn statements of annual expenditures submitted by volunteer or part volunteer fire companies or departments that receive state funds or grants;*
- (10) Property/casualty insurance premiums for protection and indemnification against loss or damage or liability;*

(11) Operating expenses reasonably required in the normal course of providing effective and efficient fire protection service, which include, but are not limited to, gasoline, bank fees, postage and accounting costs;

(12) Dues paid to national, state and county associations;

(13) Workers' Compensation premiums;

(14) Life insurance premiums to provide a benefit not to exceed \$20,000 for firefighters; and

(15) Educational and training supplies and fire prevention promotional materials, not to exceed \$500 per year.



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