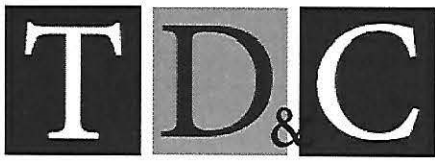


BRAZOS COUNTY EMERGENCY SERVICES DISTRICT NO. 3

AGREED-UPON PROCEDURES

FOR THE YEAR ENDED SEPTEMBER 30, 2019



THOMPSON, DERRIG & CRAIG, P.C.
Certified Public Accountants

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

Brazos County Emergency Services District No. 3
Bryan, TX

We have performed the procedures described in Schedule A, which were agreed to by Brazos County Emergency Services District No. 3 (the District) and the Brazos County Commissioners' Court (the specified parties), on the disbursements made with Brazos County tax funds recorded on the books and records of the District for the year ended September 30, 2019. Management of the District is responsible for the District's books and records. The sufficiency of these procedures is solely the responsibility of Brazos County Emergency Services District No. 3 and the Brazos County Commissioners' Court. Consequently, we make no representation regarding the sufficiency of the procedures referred to below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are described in Schedule A.

This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the financial statements of the District as of September 30, 2019. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Brazos County Emergency Services District No. 3 and the Brazos County Commissioners' Court and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Thompson, Derrig & Craig, P.C.".

THOMPSON, DERRIG & CRAIG, P.C.

February 4, 2020

Woody Thompson, CPA/CFP | Ronnie Craig, CPA | Dillard Leverkus, CPA | Lyn Kuciemba, CPA | James Larkin, CPA
Peggy Adcock, CPA | Sandy Beavers, CPA | Alline Briers, CPA | Priscilla Butler, CPA | Kyle Cox, CPA | Gay Vick Craig, CPA | Kay Dobbins, CPA
Deanna Harris, CPA | Emily Hogan, CPA | Logan Kendrick, CPA | Esther Parra, CPA | A.J. Taylor, CPA | Marian Rose Varisco, CPA

Schedule A

Agreed-Upon Procedures

1. *Vouch every disbursement made with Emergency Service District (ESD) tax funds recorded on the books and records of the ESD for the year ended September 30, 2019. Vouching consists of examining the invoice, statement or loan agreement supporting the disbursement as well as the canceled check.*

We vouched total disbursements using tax funds recorded on the books and records of the Brazos County Emergency Services District No. 3 (the District) to supporting documentation as summarized below:

Professional Fees and Contract Services	13,112
Loan on Fire Truck	14,641
Brush Truck	33,077
Furniture and Equipment	168
Operations	134
VFD No. 3 Budget Reimbursements	131,715
Insurance	2,627
	<u>\$ 195,474</u>

2. *Confirm all payments made by the District to the Brazos County Precinct 3 Volunteer Fire Department and compare the confirmation amount recorded in the books and records of the District.*

Disbursements made to Precinct 3 Volunteer Fire Department during the year ended September 30, 2019 and confirmed are summarized below.

<u>Type</u>	<u>Date</u>	<u>Number</u>	<u>Debit</u>
Check	11/19/2018	2671	17,446
Check	02/22/2019	2674	16,285
Check	04/22/2019	2678	31,527
Check	07/17/2019	2681	40,745
Check	08/29/2019	2683	12,779
Check	09/16/2019	2685	12,932
Total VFD No. 3 Budget Reimbursement			<u><u>\$ 131,715</u></u>

3. *Confirm all tax payments received from the Brazos County tax office and compare the amounts listed to the books and records of the District.*

Total taxes received during the year ended September 30, 2019 were as follow:

Confirmed by Brazos County	
Tax Assessor Collector	\$ 280,718
Deposits in ESD bank account	<u>281,548</u>
Difference	<u>\$ 830</u>

4. *Verify that the ESD maintains a separate bank account, that the signers on the bank account are ESD board members and that monthly statements are received by someone other than the person responsible for recording the receipts and disbursement of the ESD. Verify that the bank statements are reconciled with the books of the ESD for each month of the fiscal year.*

We verified by inspection of bank statements that ESD No. 3 maintains a separate account for tax funds. Based on inquiry of the Treasurer, Rusty Lewis, authorized signers are the President, Treasurer and Assistant Treasurer, and all checks require two signatures. We were able to observe this as canceled checks were returned with the bank statement. Based on inquiry of the Treasurer, the bank statement is received by the Treasurer who reconciles the bank statement monthly. These reconciliations were provided to us, and we inspected the reconciliations for all twelve months. At each regular monthly board meeting, Rusty presents the board with the reconciliation, and bank statement for the previous month. All expenditures and checks for the current month are discussed and approved at board meetings.

5. *Report any discrepancies noted. A discrepancy is described as any disbursement not supported by appropriate supporting documentation, any disbursement that does not appear to be in accordance with the approved budget or any payment received by the District that is not recorded properly in a timely manner.*

Based on inquiry of the Treasurer, all checks require two signatures. During our procedures, we identified three cancelled checks payable to various vendors that had only one signature. The single signer on each check was Rusty Lewis, Treasurer. Per inquiry of Rusty Lewis, each instance was related to a time-sensitive payment, where the timing of board meetings did not align with a timely payment. We note that all three reimbursements were approved to be paid by the board, according to the minutes provided to us.