



KILLONA VOLUNTEER FIRE DEPARTMENT, INC.

KILLONA, LOUISIANA

FINANCIAL REPORT

As of and for the Year Ended December 31, 2023

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KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA

FINANCIAL REPORT

For the year ended December 31, 2023

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KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA

FINANCIAL REPORT

For the year ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Killona Volunteer Fire Department, Inc.
St. Charles Parish, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Killona Volunteer Fire Department, Inc. (the Department) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Killona Volunteer Fire Department, Inc. as of December 31, 2023 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our Responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Department and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Department's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government*

Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 22 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis information that the accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The other supplementary information on page 23 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic 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 October 04, 2024 on our consideration of the Department's internal control over financial reporting and on our test 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 Department's internal control over financial reporting and compliance.



Thibodaux, Louisiana
October 04, 2024

Basic Financial Statements

Government-Wide Financial Statements (GWFS)

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
Killona, Louisiana

Statement of Net Position
December 31, 2023

	Governmental Activites
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 71,813
Prepaid insurance	15,650
Due from Government - Sales taxes	12,684
Total current assets	100,146
Noncurrent assets:	
Capital assets, not being depreciated	30,000
Capital assets, net of accumulated depreciation	781,168
Total noncurrent assets	811,168
Total assets	\$ 911,314
LIABILITIES	
Current liabilities:	
Accounts payable	15,347
Accrued payroll	790
Long term liabilities due < 1 year	46,581
Total current liabilities	62,718
Noncurrent liabilities	
Long term liabilities due > 1 year	177,063
Total noncurrent liabilities	177,063
Total liabilities	\$ 239,781
NET POSITION	
Net investment in capital assets	587,524
Unrestricted	84,009
Total net position	\$ 671,533

The accompanying notes are an integral part of this statement.

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
Killona, Louisiana

Statement of Activities
For the Year Ended December 31, 2023

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants & Contributions	
Expenses:				
Governmental activities:				
Public safety - fire protection:				
Repairs and maintenance	\$ 77,198	\$ -	\$ -	\$ (77,198)
Professional fees	25,386	-	-	(25,386)
Insurance	31,494	-	-	(31,494)
Fuel	9,804	-	-	(9,804)
Supplies and materials	25,595	-	-	(25,595)
Small furniture and equipment	6,764	-	-	(6,764)
Utilities and telephone	27,136	-	-	(27,136)
Personnel	138,503	-	-	(138,503)
Fire prevention	1,363	-	-	(1,363)
Training	1,697	-	-	(1,697)
Dues and subscriptions	6,934	-	-	(6,934)
Office expense	4,338	-	-	(4,338)
Meals	2,695	-	-	(2,695)
Miscellaneous	4,298	-	-	(4,298)
Interest expense	11,874	-	-	(11,874)
Depreciation expense	87,819	-	-	(87,819)
Total governmental activities	\$ 462,896	\$ -	\$ -	\$ (462,896)

General Revenues:

Ad valorem tax	\$ 314,740
Sales tax	69,741
Fire Insurance Rebate	5,138
Interest income	146
Miscellaneous income	7,427

Total general revenues**\$ 397,192****Special Items:**

Donated asset - Norco VFD	\$ 5,000
Proceeds from insurance claim	1,350
FEMA reimbursements	24,127

Total special items**\$ 30,477****Change in net assets****(35,228)****Net position:**

Beginning of the year 706,761
(restated; see note 2)

End of the year \$ 671,533

The accompanying notes are an integral part of this statement.

Basic Financial Statements

Fund Financial Statements (FFS)

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
Killona, Louisiana

Balance Sheet - Governmental Fund
December 31, 2023

	General Fund (major)	Non-Public Revenue Fund (non-major)	Total (Memo Only)
ASSETS			
Cash and cash equivalents	\$ 68,663	3,150	\$ 71,813
Prepaid insurance	15,650		15,650
Due from government - Sales taxes	12,684		12,684
Total assets	96,997	3,150	100,146
LIABILITIES AND FUND EQUITY			
Liabilities			
Accounts payable	15,347	-	15,347
Accrued payroll	790	-	790
Total liabilities	16,137	-	16,137
Fund balance			
Nonspendable - prepaid expenses	15,650	-	15,650
Unassigned	65,210	3,150	68,360
Total Fund Balance	80,859	\$ 3,150	\$ 84,009
Total liabilities, fund equity and other credits	\$ 96,996	\$ 3,150	\$ 100,146

The accompanying notes are an integral part of this statement.

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
Killona, Louisiana

Statement Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund
For the Year Ended December 31, 2023

	General Fund (major)	Non-Public Revenue Fund (Non-major)	Total (Memo Only)
REVENUES			
Ad valorem tax	\$ 314,740	\$ -	\$ 314,740
Sales tax	69,741	-	69,741
Fire insurance rebate	5,138	-	5,138
Interest	146	-	146
Other revenue	2,792	4,635	7,427
Total revenues	<u>392,557</u>	<u>4,635</u>	<u>397,192</u>
EXPENDITURES			
Public safety - fire protection:			
Current:			
Repairs and maintenance	77,198	-	77,198
Professional fees	25,386	-	25,386
Insurance	31,494	-	31,494
Fuel	9,804	-	9,804
Supplies and materials	25,595	-	25,595
Small furniture and equipment	6,764	-	6,764
Utilities and telephone	27,136	-	27,136
Personnel	138,503	-	138,503
Fire prevention	1,363	-	1,363
Training	1,697	-	1,697
Dues and subscriptions	6,934	-	6,934
Office expense	4,338	-	4,338
Meals	2,695	-	2,695
Miscellaneous	26	4,272	4,298
Capital outlay	24,187	-	24,187
Debt Service:			
Debt retirement	44,273	-	44,273
Interest expense	11,874	-	11,874
Total expenditures	<u>439,265</u>	<u>4,272</u>	<u>443,537</u>
Excess of revenues over/(under) expenditures	(46,708)	363	(46,345)
Other Financing Sources (Uses)			
Proceeds from insurance claim	1,350	-	1,350
FEMA reimbursements	24,127	-	24,127
Total other financing sources and uses	25,477	-	25,477
Excess (deficiency) of revenues and other sources Over expenditures and other uses	(21,232)	363	(20,869)
Fund balance			
Beginning of year (restated; see note 2)	<u>\$ 102,091</u>	<u>\$ 2,787</u>	<u>\$ 104,878</u>
End of year	<u>\$ 80,859</u>	<u>\$ 3,150</u>	<u>\$ 84,009</u>

The accompanying notes are an integral part of this statement.

KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
Killona, Louisiana

**Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
December 31, 2023**

Total Fund Balances - Governmental Funds	\$	84,009
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet		811,168
Long-term liabilities are not due and payable in the current period and therefore not reported in the governmental funds		<u>(223,644)</u>
Total Net Position - Governmental activities	\$	<u><u>671,533</u></u>

The accompanying notes are an integral part of this statement.

KILLONA VOLUNTEER FIRE DEPARTMENT, INC
Killona, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the year ended December 31, 2023**

Net Change in Fund Balances - Governmental Funds \$ (20,869)

Amounts reported for governmental activities in the Statement of
Activities are different because:

Governmental funds report capital outlays as expenditures. However, in
the statement of activities, the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on the Statement of Revenue, Expenditures and Changes in Fund Balances	\$ 24,187	
Basis of capital assets donated	5,000	
Depreciation expense for the year ended December 31, 2023	<u>(87,819)</u>	(58,632)

Governmental funds report debt service payments as expenditures.
However; in the statement of activities the repayment of principal
indebtedness reduces long-term liabilities and does not affect the
statement of activities.

44,273

Change in Net Position - Governmental activities \$ (35,228)

Notes to the Financial Statements

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

INTRODUCTION

The Killona Volunteer Fire Department, Inc. (the Department) was organized as a non-profit corporation as defined by Revised Statutes of Louisiana Title 12, Section 101 (8). The Department is exempt from federal income tax under section 501(c)(4) of the Internal Revenue Code. Its objective is to provide fire protection to the Killona area, Fire Protection District No.10 of St. Charles Parish.

The Department receives funding from local and state government sources and must comply with the same requirements of these funding source entities. However, the Department is a "primary government" and is not included as a component unit of any other St. Charles Parish governmental "reporting entity" as defined in GASB pronouncements, since the entity is a non-profit corporation, and the board members have decision making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. The Department includes all activities that are controlled by it as a quasi-public non-profit corporation organized to provide fire protection to the Parish of St. Charles. The Department has no component units.

The accounting and reporting policies of the Department conform to generally accepted accounting principles as applicable to governmental units.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements of Killona Volunteer Fire Department, Inc. have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the Fire Department are discussed below.

The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999, as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Department's governmental activities. Direct expenses are those that are

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenue.

Fund Financial Statements (FFS)

The accounts of the Department are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Department is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The Department has one fund, a governmental fund. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Major Fund:

Governmental Fund - General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781 is the principal fund of the Department and is used to account for the operations of the Department. General operating expenditures are paid from this fund.

Non-Major Fund:

Governmental Fund – Non-Public Revenue Fund

The purpose of the non-public revenue fund is to account for funds collected by the Department from private sources such as donations. These funds are accounted for separately from the public funds which are held in the general fund.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

B. Measurement Focus / Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position.

All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The Department reports deferred inflows of resources on its governmental fund balance sheet. For governmental fund financial statements, deferred inflows arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows also arise when resources are received before the Department has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Department has

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

a legal claim to the resources, the deferred inflow is removed from the balance sheet and revenue is recognized.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Budgets and Budgetary Accounting

Due to the fact that the Department is a true quasi-public entity, which has no direct relationship to another governing entity, it is not subject to the Louisiana Local Budget Act.

Although it is not required, the Department adopts, using the cash basis of accounting, an annual budget based on anticipated revenues and expenditures. Annual appropriations of funds are not made. The budget is reviewed and compared to actual expenditures for use in managing expenditures.

D. Encumbrances

The Department does not use encumbrance accounting.

E. Cash and Interest-bearing Deposits

Under state law, the Department may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit with an original maturity of less than 90 days, and are stated at cost, which approximates fair market value.

F. Investments

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

The Department's only investments are certificates of deposit, with an original maturity of greater than 90 days, which are stated at cost, which approximates market. Investments in certificates of deposit are reported at cost because they are "nonparticipating" interest-earning investment contracts as discussed in GASB 31. The term "nonparticipating" means that the investment value does not vary with market interest rate changes. Investments which include securities traded on a national or international exchange are valued based on their last reported sales price (fair value). Investments that do not have an established market are reported at estimated fair value.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
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Notes to the Financial Statements
For the year ended December 31, 2023

G. Prepaid Expenditures

Payments made for goods and services that will benefit periods beyond December 31, 2023 have been recorded as prepaid expenditures.

H. Receivables

The Department considers all receivables to be collectible within the next 60 days; therefore, no allowance has been established for doubtful accounts. If uncollectible amounts are identified, necessary adjustments are made when information becomes available. These amounts are not considered to be material to the financial statements.

I. Inventories

Physical inventories consist of expendable supplies held for consumption. Because inventories are expended within one operating cycle they are recorded as expenditures when paid for and are not recorded as an inventory asset.

J. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires an entity to delay recognition of decreases in net position as expenditures until a future period. In other instances, entities are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

L. Capital Assets

Capital assets, which include property, vehicles, and equipment, purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Donated assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	40 years
Improvements	10-40 years
Equipment & Vehicles	5-15 years

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
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Notes to the Financial Statements
For the year ended December 31, 2023

In the fund financial statements, capital assets used in the Department's operations are accounted for as capital outlay expenditures of the governmental fund that provided the resources to acquire the assets. Depreciation is not computed or recorded on capital assets for purposes of the fund financial statements.

M. Long-Term Obligations

In the government-wide financial statements, debt and principal payments of both government and business-type activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt and principal payments of governmental funds are recognized as expenditures when paid.

N. Equity Classifications

In the Government-Wide Financial Statements, the difference between a government's assets and liabilities is recorded as net position. The three components of net position are as follows:

1. Net Investment in Capital Assets This category records capital assets net of accumulated depreciation and reduced by any outstanding balances of bonds, mortgages, notes or other borrowing attributable to the acquisition, construction or improvement of capital assets.
2. Restricted Net Position Net positions that are restricted by external sources such as creditors, grantors, contributors, or by law through either enabling legislation or constitutional provisions are reported separately as restricted net position. When assets are required to be retained in perpetuity, these non-expendable net positions are recorded separately from expendable net positions. These are components of restricted net positions.
3. Unrestricted Net Position All other net positions that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the Fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is classified as follows:

1. Nonspendable Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The Department has prepaid insurance which is considered *nonspendable* fund balance on the fund financial statements.
2. Restricted Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
3. Committed Amounts that can be used only for specific purposes determined by a formal decision of the Board.
4. Assigned Amounts that do not meet the criteria to be classified as restricted or committed

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

but that are intended to be used for specific purposes by a decision of the Board.

5. Unassigned All other spendable amounts.

When an expenditure is incurred for the purpose for which both restricted and unrestricted fund balance is available, the Board considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Board considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

O. SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 04, 2024, which is the date the financial statements were available to be issued.

NOTE 2. RESTATEMENT OF NET POSITION/FUND BALANCE

A prior period adjustment was made to restate Net Position, Fund Balance, Deferred Inflows of Resources, and Ad Valorem tax receivable. It was determined that since the Department has no legal claim to the property tax revenue from the parish, that a receivable should not be accrued for that revenue. An adjustment was made to decrease (debit) Net Position/Fund Balance by \$297,000, decrease (debit) Deferred Inflows of Resources by \$24,494, decrease (credit) Ad Valorem tax receivable by \$321,494. It was determined that a receivable and deferred inflow should not be reported for ad valorem tax as it does not meet the requirements under GASB reporting standards.

NOTE 3. CASH AND CASH EQUIVALENTS

At December 31, 2023, the Department has cash and cash equivalents (book balances) totaling \$71,813, as follows:

Demand Deposits	\$ 23,635
Time and savings deposits	<u>48,173</u>
Total	<u>\$ 71,813</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities must be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

NOTE 4. CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution the Department's deposits may not be recovered or will not be able to recover collateral

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Department or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) at December 31, 2023 in the amount of \$82,957 were secured with \$82,957 of federal deposit insurance. The Department does not have a policy for custodial credit risk.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance at 12/31/2022	Additions	Deletions	Balance at 12/31/2023
Capital assets; not being depreciated:				
Land	30,000	-	-	30,000
Total	30,000	-	-	30,000
Capital assets, being depreciated:				
Equipment	728,232	16,436	-	744,668
Buildings	895,405	-	-	895,405
Improvements	16,500	-	-	16,500
Vehicles	981,631	12,751	-	994,382
Total	2,621,768	29,187	-	2,650,955
Less: accumulated depreciation	(1,781,968)	(87,819)	-	(1,869,787)
Total capital, assets being depr; net	839,800	(58,632)	-	781,168
Total capital assets, net	\$ 869,800	\$ (58,632)	\$ -	\$ 811,168

Depreciation expense for the year of \$ 87,819 was charged to public safety.

NOTE 6. LONG-TERM DEBT

During the fiscal year ended December 31 2020, Killona Volunteer Fire Department, Inc. purchased a 2020 F-150 as part of the fire protection fleet used by the department. The Department incurred debt in the amount of \$48,193. The annual interest rate is 7.84%. The required debt service for the upcoming fiscal year is \$8,305 and \$1,822 principal and interest, respectively.

During the fiscal year ended December 31 2021, Killona Volunteer Fire Department, Inc. purchased a 2021 Pierce Freightliner as part of the fire protection fleet used by the department. The Department incurred debt in the amount of \$278,782. The annual interest rate is 4.25%. The required debt service for the upcoming fiscal year is \$38,276 and \$7,743 principal and interest, respectively.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

The following is a summary of the transactions of the notes payable during the year:

Governmental activities:

Long-term obligations payable at December 31, 2022	\$ 267,917
Additions	-
Reductions	(44,273)
Long-term obligations payable at December 31, 2023	\$ 223,644

All principal and interest requirements are funded in accordance with Louisiana law by the general revenues of the District. The amounts due on outstanding debt, including interest, are as follows:

Year ending December 31,	Principal	Interest	Total Debt Service Requirement
2024	46,581	9,565	56,147
2025	48,909	7,237	56,147
2026	51,363	4,783	56,147
2027	43,452	2,567	46,020
2028	33,338	699	34,037
	\$ 223,644	\$ 24,852	\$ 248,496

NOTE 7. FIRE PROTECTION CONTRACT - AD VALOREM TAX

An agreement was signed in December 1990, between the St. Charles Parish Council and the St. Charles Firemen’s Association to provide fire protection for the St. Charles Parish area. The agreement states that in exchange for fire protection for the entire parish, the Parish Council agrees to distribute a 1.6 mill tax levy evenly to all members of the St. Charles Parish Firemen’s Association. The Department’s share of this ad valorem tax for the year ended December 31, 2023 was \$314,740.

NOTE 8. FIRE PROTECTION CONTRACT – SALES TAXES

An agreement was signed in July 1980, between the St. Charles Parish Council and the St. Charles Firemen’s Association to provide fire protection for the St. Charles parish area. Consideration for this agreement is a sales tax of one-eighth of one percent which is collected by the St. Charles Parish School Board and administered by the Parish President. The sales tax is to be used for the fire protection of the Parish of St. Charles. The funds are distributed monthly by the Parish President to the individual fire departments of the St. Charles Parish Firemen’s Association, Inc. Effective April 4, 2011 (Ord#11-4-4), the sales tax is distributed on the following basis:

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

Notes to the Financial Statements
For the year ended December 31, 2023

Department	Basis	Funds
Bayou Gauche Volunteer Fire Dept., Inc.	\$2,500	3.78%
Des Allemands Volunteer Fire Dept., Inc.	\$2,500	4.10%
East Side St. Charles Volunteer Fire Dept.	\$2,500	22.72%
Hahnville Volunteer Fire Dept., Inc.	\$2,500	7.00%
Killona Volunteer Fire Dept. Inc.	\$2,500	1.47%
Luling Volunteer Fire Dept., Inc.	\$2,500	30.85%
Norco Area Volunteer Fire Dept., Inc.	\$2,500	9.81%
Paradis Volunteer Fire Dept., Inc.	\$2,500	4.93%
St. Rose Volunteer Fire Dept., Inc.	\$2,500	15.34%

The Department receives a monthly base amount of \$2,500 in sales tax plus 1.47% of the remaining funds. The total revenue under this agreement for the year ended December 31, 2023, was \$69,741.

Due from government - sales taxes at December 31, 2023 of \$12,684, consists of the Department's share of the 1/8th cent sales tax for the months of November and December 2023, collected by the St. Charles Parish School Board and remitted by St. Charles Parish in January and February 2024.

NOTE 9. RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; illnesses or injuries to its volunteers; and natural disasters. The Department has purchased commercial insurance to cover or reduce the risk of loss.

NOTE 10. INCOME TAXES

The Fire Department is exempt from federal income tax under Section 501 (c)(4) of the Internal Revenue Code. It is exempt from Louisiana income tax under the authority of R.S. 47:121(7). The Fire Department's evaluation as of December 31, 2023 revealed no tax positions that would have a material impact on the financial statements. The 2020 through 2023 tax years remain subject to examination by the IRS. The Fire Department does not believe that any reasonably possible changes will occur within the next twelve months that will have a material impact on the financial statements.

NOTE 11. LITIGATION AND CLAIMS

At December 31, 2023, the Department had no litigation or claims pending.

Required Supplemental Information

KILLONA VOLUNTEER FIRE DEPARTMENT, INC
Killona, Louisiana

Budget Comparison Schedule
General Fund - Non-GAAP (Cash) Basis
For the Year ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance - favorable (unfavorable)
Revenues:				
Ad valorem tax	\$ 200,000	\$ 200,000	\$ 314,740	\$ 114,740
Sales tax	60,000	60,000	70,468	10,468
Fire insurance rebate	-	-	5,138	5,138
Interest	-	-	146	146
Other revenue	-	-	25,577	25,577
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 260,000</u>	<u>\$ 260,000</u>	<u>\$ 416,069</u>	<u>\$ 156,069</u>
Expenditures:				
Repairs and maintenance	73,200	93,900	82,082	11,818
Professional fees	40,000	19,000	18,386	614
Insurance	40,000	35,000	33,016	1,984
Fuel	15,000	12,800	10,856	1,944
Supplies and materials	16,500	28,200	26,685	1,515
Small furniture and equipment	5,000	14,000	12,721	1,279
Utilities and telephone	32,000	29,000	27,908	1,092
Personnel	107,500	138,100	136,863	1,237
Training	5,000	500	198	302
Intallation	375	375	-	375
Fire prevention	2,500	2,500	1,363	1,137
Meetings and conventions	19,000	1,500	-	1,500
Dues and subscriptions	7,850	9,350	6,934	2,416
Office expense	7,300	7,400	4,371	3,029
Meals	11,000	6,000	2,578	3,422
Miscellaneous	-	100	42	58
Capital outlay	15,000	10,000	6,176	3,824
Debt service	68,000	58,500	56,147	2,353
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$ 465,225</u>	<u>\$ 466,225</u>	<u>\$ 426,324</u>	<u>\$ 39,901</u>
Excess (deficiency) of revenues over expenditures	(205,225)	(206,225)	(10,255)	
Fund balance, beginning	<u>not budgeted</u>	<u>not budgeted</u>	<u>401,878</u>	
Fund balance, ending	<u>not budgeted</u>	<u>not budgeted</u>	<u>391,623</u>	

The accompanying notes are an integral part of this statement.

Supplemental Information

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

For the Year Ended December 31, 2023

*Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer*

Trevell Gordon, Chief

Purpose	Amount
Salary	\$11,088
Benefits-insurance	0
Benefits-retirement	112
Benefits-other	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses*	0
Special meals	0
Others (Uniforms/Gear)	0

This form is used to satisfy the reporting requirements of R.S. 24:513(A)(3) on Supplemental Reporting.

Reports by Management

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2023**

Section I – Internal Control and Compliance Material to the Financial Statements:

<u>Ref. No.</u>	2022-01
<u>Description of Finding:</u>	Inadequate Segregation of Duties – Internal Control Material Weakness The size of the Killona Volunteer Fire Department, Inc.'s operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control. although to employ such controls may not be cost beneficial.
<u>Corrective Action Taken:</u>	None

Section II – Management Letter:

There was no management letter issued in the prior year.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2023**

Section I – Internal Control and Compliance Material to the Financial Statements

2023-01

Inadequate Segregation of Duties – Internal Control Material Weakness

Condition:

The Department does not have adequate division of responsibilities over their accounting functions.

Criteria:

For effective internal controls, there should be an adequate division of responsibilities.

Cause:

Due to the size of the District's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Effect:

Lack of proper segregation of duties could lead to a higher risk of errors, fraud and noncompliance issues.

Recommendation:

Management should continue to look for ways to strengthen controls within the accounting department using the limited resources at hand.

Management's response:

This is a common deficiency noted in audits of small entities. The department's office does not employ enough people in its accounting department to adequately segregate duties such as approving purchase orders, approving invoices for payment, printing checks, recording checks, signing checks, mailing checks, and reconciling bank statements. This is one example of the circumstances that resulted in the finding.

Therefore, this deficiency cannot be remedied in a cost-effective manner.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2023**

2023-02	Inadequate Controls over Payroll Processing – Internal Control Material Weakness
<u>Condition:</u>	During 2023, there were two months where the Chief's \$700 monthly stipend was paid twice, in error. This caused an overpayment of \$1,400 during the year.
<u>Criteria:</u>	While there was no written agreement as to the amount of the Chiefs stipend, \$700 per month was the amount paid for all but two months. Therefore, the two additional payments caused an overpayment.
<u>Cause:</u>	While the Chief approves payroll for the Department's employees prior to payment, there is no approval for the Chief's payroll prior to processing payment.
<u>Effect:</u>	Lack of proper approvals may cause errors in payroll processing. For effective internal controls, there should be adequate review and approval procedures over the Chief's payroll prior to payment.
<u>Recommendation:</u>	A member of the board or other authorized personnel should review and approve the Chief's payroll prior to submission to the third-party payroll provider.
<u>Management's response:</u>	The board will appoint personnel to review and approve the Chief's payroll prior to submission for payment.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2023**

2023-03

**Inadequate Controls over Supporting
Documentation – Member’s Private Contribution
Account**

Condition:

The Department could not produce supporting documentation for the receipts nor disbursements for the members' private contributions account.

Criteria:

The accounts bank statements show deposits for the year totaling \$4,635 for which no deposit slips or other supporting records could be provided. There were also \$2,665 in checks written for which no supporting invoices could be provided. \$1,550 in cash was disbursed from the account over three occasions. There is no supporting documentation for these withdrawals.

Cause:

The Department’s policies for cash receipts and disbursements were not followed for the private membership account. The person authorized over this account, which held the checkbook during the year, used the account without maintaining proper supporting records.

Effect:

Lack of proper controls over supporting documentation can create an environment where misappropriation could occur. Because supporting records could not be obtained, an audit of the supporting details for the transactions of this account could not be performed.

Recommendation:

The Department should apply the cash receipts and disbursements procedures to all accounts, including the member's private contribution account.

Management’s response:

The board agrees with this recommendation and will communicate to all necessary personnel that supporting documentation is to be maintained for this account as it does for all other accounts.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2023**

2023-04

**Noncompliance with Article VII of the Louisiana
Constitution – Uniforms assigned to Employees**

Condition:

The Department purchased and issued “uniforms” to two employees without a formal uniform policy nor a signed agreement between the Department and the employee that the uniforms remain the Department’s property.

Criteria:

The attorney general has opined that providing uniforms to employees is a donation of public funds and as such prohibited by Article VII of the Louisiana Constitution, unless the uniforms remain the Department’s property and is worn pursuant to a formal policy.

Cause:

During the year, the Department purchased 7 pants, 1 short, 1 belt and 2 pair of Reebok shoes totaling \$725.83 provided as uniforms to two employees. However, the Department has no formal policy for uniforms and no procedures in place to ensure the receipt of the uniforms upon the separation of employment.

Effect:

Lack of a formal Department provided uniform policy violates Article VII of the LA Constitution. Lack of controls over uniforms could lead to misappropriation of the property.

Recommendation:

The Department should adopt a written policy on Department provided uniforms stating these items remain the property of the Department and are required to be returned upon separation. A detailed list of each item should be documented along with the date provided and the employee should sign acknowledging their understanding of the policy. Upon separation, an inventory of all items assigned to that employee should be documented as received and signed by both the Department’s management and the employee.

Management’s response:

Management agrees with the recommendation and will work to develop recommended policies and procedures immediately.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2023**

2023-05

**Noncompliance with R.S. 40:1510 - Spending
Public Funds on Meals for Social Event and
Unsupported Meals Purchases**

Condition:

\$1,001.99 was paid from the public funds account for expenses associated with a social event. Additionally, there were eight other payments for food or meals totaling \$1,404.06 without proper supporting documentation as to public purpose and the persons receiving the meal.

Criteria:

R.S. 40:1510 allows public funds to be used to provide volunteer firefighters meals or food during training sessions, workshops, during performance of emergency services or during department related meetings. Amounts are not to exceed \$25 per person.

Cause:

Management's lack of attentiveness as to which account was used to pay for the food for the social event led to it's being paid from the public funds account in error. Management was not aware of the specific instances or limits where public funds could be used for food and meals nor were they aware of the proper documentation for allowable meals.

Effect:

Noncompliance with state laws over allowable payments made for food and meals. With the exception of the social event, management attests that all food and meals were used for allowable purposes; however, there is no documentation of this.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2023**

**2023-05
(con't)**

**Noncompliance with R.S. 40:1510 - Spending
Public Funds on Meals for Social Event and
Unsupported Meals Purchases**

Recommendation:

Procedures should be implemented whereby a form is developed which must be completed when food is provided which was paid for with public funds. The document must contain (1) the business purpose of the meal as well as (2) the signatures of all those receiving a meal. This should be attached to a detailed receipt and maintained in the Department's files. Further, any food or meals not having an allowable public purpose must be paid from the Department's private membership account. The Department should also reimburse the public funds account for the \$1,001.99 from the private account.

Management's response:

The board will put procedures in place to ensure that expenses for social events are paid for through the private funds account. The public funds account will be reimbursed for the total amount. Procedures will be developed to properly document all allowable meals provided.

**KILLONA VOLUNTEER FIRE DEPARTMENT, INC.
KILLONA, LOUISIANA**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2023**

2023-06	Noncompliance with State Audit Law Reporting Requirements
<u>Condition:</u>	the Department failed to comply with the State Audit Laws, submitting the required reports after the deadline.
<u>Criteria:</u>	The Department is required to provide an annual financial report to the Louisiana Legislative Auditor no later than six months after its year end in accordance with R.S. 24:513 and 24:514.
<u>Cause:</u>	Information was presented to the auditor on June 26, 2024 which warranted an expansion of auditing procedures causing the report to be issued late.
<u>Effect:</u>	Noncompliance with state audit laws.
<u>Recommendation:</u>	The Department should put additional policies and procedures in place to ensure that required annual reports are filed in a timely manner.
<u>Management's response:</u>	Management agrees with the finding and has implemented the recommendation.

Section II – Management Letter:

There was no management letter issued in the current year.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**



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

**To the Killona Volunteer Fire Department, Inc.
Killona, 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 governmental activities and each major fund of the Killona Volunteer Fire Department, Inc. (the Department), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Department’s basic financial statements, and have issued our report thereon dated October 04, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department’s internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Department’s internal control.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying corrective action plan for current year audit findings, item 2023-01, 2023-02, 2023-03 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department’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 financial statements. However, providing an opinion on

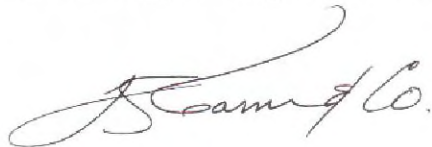
compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, see items 2023-04, 2023-05, and 2023-06 of the accompanying corrective action plan for current year audit findings.

Killona Volunteer Fire Department, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Department's response to the findings identified in our audit and described in the accompanying schedule of audit findings and management's corrective action plan. The Department's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on the response.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Thibodaux, Louisiana
October 04, 2024