



# **THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**

## **Financial Statements and Independent Auditor's Report**

**As of and for the Year Ended November 30, 2020**

**T.S. KEARNS & CO.**  


(A Professional Corporation)  
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**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Financial Statements and  
Independent Auditor's Report**

**As of and for the year ended November 30, 2020**

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## INDEPENDENT AUDITOR'S REPORT

To the Board  
Thibodaux Volunteer Fire Department, Inc.  
Thibodaux, Louisiana

We have audited the accompanying financial statements of Thibodaux Volunteer Fire Department, Inc. (a nonprofit organization), which comprise the statement of financial position as of November 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

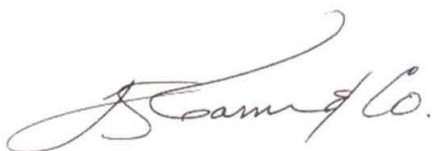
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Thibodaux Volunteer Fire Department, Inc. as of November 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules listed as supplemental information in the table of contents on page 19 through 21 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2021, on our consideration of the Thibodaux Volunteer Fire Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Thibodaux Volunteer Fire Department's internal control over financial reporting and compliance.



Thibodaux, Louisiana

May 21, 2021

**Financial Section**  
***Financial Statements***

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Statement of Financial Position**  
**November 30, 2020**

**Assets****Current Assets:**

Cash	\$ 4,395,349
Certificates of Deposit	494,379
Receivables	4,247
Prepaid expense	4,575
Advances to Fire Companies	3,000

**Total Current Assets** 4,901,550

**Long-Term Assets:**

Certificates of Deposit	135,000
Advances to Fire Companies	20,000
Property and Equipment (Net)	7,241,293
Land	1,230,748

**Total Long-Term Assets** 8,627,040

**Total Assets** \$ 13,528,590

**Liabilities and Net Assets****Current Liabilities:**

Accounts Payable	\$ 37,035
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**Total Current Liabilities/Total Liabilities** 37,035

**Net Assets:**

With donor restrictions	2,327,644
Without donor restrictions	11,163,910

**Total Net Assets** 13,491,554

**Total Liabilities and Net Assets** \$ 13,528,590

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Statement of Activities**  
**For the Year Ended November 30, 2020**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support:</b>			
Firemen's Fair Support, Net Proceeds (See Schedule 1)	\$ 91,537		\$ 91,537
Interest Earnings	12,011		12,011
Rental Income	9,550		9,550
Private grants & cash donations	113,000	\$ 106,300	219,300
Miscellaneous	6,268		6,268
Local Governments		308,750	308,750
Property Tax		783,125	783,125
Released from Donor Restrictions	1,457,903	(1,457,903)	-
<b>Total Revenue and Other Support</b>	1,690,270	(259,729)	1,430,541
<b>Expenses:</b>			
<b>Program Service - Fire Protection:</b>			
Operation and Maintenance of Fire Equipment (See Schedule 2)	\$ 128,347		\$ 128,347
Utilities - Fire Stations	82,461		82,461
Fire Training and Prevention	51,491		51,491
Other Fire Fighting Equipment and Related Expenses	119,704		119,704
Rental Expenses	7,647		7,647
<b>Supporting Services:</b>			
General and Administrative (See Schedule 3)	1,012,221		1,012,221
<b>Total Expenses</b>	1,401,871	-	1,401,871
<b>Increase (Decrease) in Net Assets</b>	288,399	(259,729)	28,670
<b>Net Assets, Beginning of Year</b>	10,875,511	2,587,373	13,462,884
<b>Net Assets, End of Year</b>	\$ 11,163,910	\$ 2,327,644	\$ 13,491,554

The accompanying notes are an integral part of the financial statements.

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Statement of Functional Expenses**  
**For the Year Ended November 30, 2020**

Program Services:	
Fire protection -	
Gas, Oil, Etc.	\$ 19,808
Truck and Vehicle Maintenance	78,756
Fair Proceeds Paid to Fire Companies	-
Station Maintenance	4,193
Truck House Repairs	75
Equipment Expense	14,227
Paggers	-
Radio Expense	1,901
Batteries	638
Compressor & Bottle Maintenance	331
Utilities - Fire Stations	82,461
Fire Training and Prevention	51,491
Other Fire Fighting Equipment and Related Expenses	128,121
Rental Expenses	
Operation	2,400
Depreciation	5,247
Total program services	<u>389,650</u>
Supporting Services:	
Management and general -	
Insurance	\$ 179,490
Depreciation	697,929
Accounting, Secretary, Treasurer	24,500
Legal and Professional fees	5,310
Conventions and Meetings	7,781
Building Repair and Maintenance	27,428
Telephone	10,133
Office Supplies and Expense	5,897
Miscellaneous	11,655
Grass Cutting	16,620
Information Technology & Internet Service	25,479
Total supporting services	<u>1,012,221</u>
<b>Total Expenses</b>	<u><u>\$ 1,401,871</u></u>

The accompanying notes are an integral part of the financial statements.



**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Statement of Cash Flows**  
**For the Year Ended November 30, 2020**

<b>Cash Flows From Operating Activities:</b>	
Increase (Decrease) In Net Assets	\$ 28,670
Adjustments To Reconcile Increase In Net Assets To Net Cash Provided By Operating Activities:	
Expenses not requiring cash:	
Depreciation	703,175
(Increase) Decrease In Operating Assets:	
Receivable from Fire Companies, net	-
Prepaid expenses	11,800
Other receivables	10,653
Increase (Decrease) In Operating Liabilities:	
Accounts Payable	16,526
Deferred revenue	<u>(1,000)</u>
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>769,824</b>
<b>Cash Flows From Investing Activities:</b>	
Maturity of Certificates of Deposit	51,250
Purchase of Certificates of Deposit	(51,110)
Interest reinvested in Certificates of Deposit	(4,142)
Proceeds from sales of capital assets	-
Purchase of Property and Equipment	<u>(1,546,579)</u>
<b>Net Cash Provided (Used) By Investing Activities</b>	<b><u>(1,550,581)</u></b>
<b>Cash Flows From Financing Activities:</b>	
<b>Net Cash Provided (Used) By Financing Activities</b>	<b><u>-</u></b>
<b>Net Increase (Decrease) in Cash</b>	<b><u>(780,757)</u></b>
<b>Cash at Beginning of Year</b>	<b><u>5,176,106</u></b>
<b>Cash at End of Year</b>	<b><u>\$ 4,395,349</u></b>

The accompanying notes are an integral part of the financial statements.

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2020**

**INTRODUCTION**

The Thibodaux Volunteer Fire Department, Inc. (Fire Department) was formally incorporated on February 4, 1987, as a non-profit corporation in Thibodaux, Louisiana. As incorporated, it is the continuation of an association that has been in existence for many years in the City of Thibodaux. The purpose of the Fire Department, and its predecessor organization, is to supervise, control, and otherwise coordinate the efforts of the eight volunteer fire companies which service the citizens of Thibodaux, Louisiana, and beginning in 1989, the area included in Lafourche Parish Fire Protection District No. 4 (District No. 4).

The Fire Department owns fire stations, firefighting trucks, emergency units, and other firefighting equipment used by the Department and the eight fire companies. The Fire Department coordinates all training and fund-raising activities and pays for the operating expenses of all firefighting and emergency equipment for all eight fire companies.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Management of the Fire Department consists of a Board of Directors made up of volunteer firemen who have been elected by the membership of the various fire companies. After being elected by the fire companies' membership, the board members are appointed by Thibodaux City Council. The Mayor of Thibodaux is an ex-officio member of the Board of Directors. The City of Thibodaux also receives a tax millage used to support the Fire Department. Because of these factors, the Fire Department is a component unit of the City of Thibodaux and is reported as such on the City's financial reports.

**B. Basis of Presentation**

The financial statements of the Fire Department have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America. Therefore, certain revenues and the related assets are recognized when awarded rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. Net assets and revenues, expenses, gains and losses are classified

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**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2020**

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

*Net assets without donor restrictions* – Net assets that are not subject to donor-imposed stipulations.

*Net assets with donor restrictions* - Net assets subject to donor-imposed stipulations that will either (1) expire by incurring expenses satisfying the restricted purpose (purpose restricted), and/or the passage of time or other events (time restricted), or (2) will never expire (perpetual in nature). When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**C. Capital Assets**

All capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are recorded as support at their estimated fair value on the date donated. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. It is the Fire Department's policy to capitalize expenditures for these items in excess of \$1,000. Depreciation is provided over the estimated useful life of fixed assets computed using the straight-line method as follows:

Buildings and improvements	12 - 40 years
Equipment	7 – 20 years
Furniture & fixtures	7 years
Vehicles	5 – 25 years

**D. Income Taxes**

The Internal Revenue Service has notified the Fire Department that it is substantially exempt from Income taxes under internal Revenue Code Section 501 (c)(3). Donors may deduct contributions made to the Fire Department under Internal Revenue Code Section 170. Accordingly, no provision for income taxes

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is made in the financial statements. The Fire Department is no longer subject to U.S. Federal tax examination for years prior to 2017 tax year.

**E. Revenue Recognition**

Contributions received are recorded as either with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the with donor restriction net assets are reclassified to without donor restriction net assets and reported in the statement of activities as net assets released from restrictions.

**F. Deferred Revenue**

The Fire Department reports deferred revenue on the statement of financial position. Deferred revenue arises when the Fire Department receives resources before it has a legal claim to them. In subsequent periods, when the Organization has a legal claim to those resources, the liability for deferred revenue is removed from the statement of financial position and the revenue is recognized.

**G. Cash, Cash Equivalents, and Certificates of Deposit**

For purposes of the statements of cash flows, cash and cash equivalents include certificates of deposit and securities with maturities of three months or less when purchased. The Fire Department considers all demand deposits to be cash equivalents.

Investment policies are governed by state statutes.

Certificates of Deposits with original maturities of one year or less are classified as current assets. Certificates with original maturities in excess of one year are reported as long-term assets.

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**H. Donated Services and Supplies**

The Fire Department receives donated items, such as minor amounts of building material and used office equipment and furniture. However, formal records are not maintained of all the minor items received or their value. Further, by its very nature, the Fire Department receives benefit from the volunteer services of numerous citizens particularly in the operation of the fair and actual firefighting by trained individuals.

The value of these donated services, the materials, and the furniture and fixtures, on which no record was kept, has not been reflected on the Fire Department's records. The values are not included inasmuch as there is no objective method available to measure the value of these items.

**I. Use of Estimates**

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

**J. Functional Expenses**

Expenses are charged directly to program or supporting services in general categories based on specific identification.

**NOTE 2. CASH AND CERTIFICATES OF DEPOSIT**

At November 30, 2020, the Fire Department had cash (book balances) totaling \$4,395,349, and certificates of deposits totaling \$629,379. The combined bank balance at November 30, 2020, was \$5,283,981. Of the total bank balances, \$1,027,846 was covered by federal depository insurance and \$4,402,363 is covered by collateral held by the pledging financial institution's trust or its agent in the Fire Department's name. There are no unsecured funds.

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The Fire Department is required to hold the ad valorem tax in a separate bank account to be used for the purchase and maintenance of fire-fighting equipment. The monies collected and expended for the raffle fundraiser must also be held in a separate bank account with any profits being transferred to the operating account. These accounts are maintained separately, as required.

**NOTE 3. PROPERTY AND EQUIPMENT**

At November 30, 2020, the Fire Department had the following property and equipment balances:

	<u>Balance at 11/30/19</u>	<u>Additions</u>	<u>Removals</u>	<u>Balance at 11/30/20</u>
Property and equipment not being depreciated:				
Land	\$ 1,230,748	\$ -	\$ -	\$ 1,230,748
Construction in progress	-	1,236,439	-	1,236,439
<b>Total property and equipment not being depreciated</b>	<u>1,230,748</u>	<u>1,236,439</u>	<u>-</u>	<u>2,467,187</u>
Property and equipment being depreciated:				
Fire trucks, emergency units, and other vehicles	5,067,311	86,477	-	5,153,788
Firefighting equipment	1,645,431	-	-	1,645,431
Office and other equipment	258,848	-	-	258,848
Building & Improvements				
Warehouse - Central Station	477,401	-	-	477,401
Training center	1,027,624	-	-	1,027,624
B.C.H. building	139,020	-	-	139,020
Fire station improvements	2,795,640	-	-	2,795,640
Fair ground improvements	1,536,556	223,663	-	1,760,219
Rental units	103,700	-	-	103,700
<b>Total property and equipment being depreciated</b>	<u>13,051,531</u>	<u>310,140</u>	<u>-</u>	<u>13,361,671</u>
Less: Accumulated Depreciation	<u>(6,653,639)</u>	<u>(703,175)</u>	<u>-</u>	<u>(7,356,814)</u>
<b>Total property and equipment being depreciated, net</b>	<u>6,397,892</u>	<u>(393,035)</u>	<u>-</u>	<u>6,004,857</u>
<b>Total property and equipment, net</b>	<u>\$ 7,628,640</u>	<u>\$ 843,404</u>	<u>\$ -</u>	<u>\$ 8,472,044</u>

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**Thibodaux, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
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Depreciation expense for the current fiscal year is \$703,175.

During the year, the Department purchased two new Chief's trucks as well as made improvements to the fairgrounds, including renovations the float barn bathrooms. Deposits have also been paid toward the construction of two new Engines which are expected to be delivered and placed in service in the upcoming fiscal year. The payments toward the two engines are recorded in the Construction in Progress account until the engines are placed in service.

**NOTE 4. SUPPORT - LOCAL GOVERNMENTS**

In 2020, support from the City of Thibodaux, Fire Protection District No. 4, and Parish of Lafourche consists of following Items:

Insurance subsidies (City of Thibodaux)	\$ 23,796
Utilities subsidies (City of Thibodaux)	82,461
Other (City of Thibodaux)	19,005
Fire insurance rebates (Lafourche Parish)	66,440
Fire Protection District #4 (see note 7)	<u>116,477</u>
	<u>\$ 308,179</u>

*Insurance subsidies* - Amounts expended by the City of Thibodaux for insurance during the Fire Department's fiscal year, to provide coverage for Fire Department equipment and members of the fire companies. Included are premiums for fire truck and emergency unit liability insurance, general liability insurance, and workman's compensation for volunteer firemen. Policy coverage does not extend longer than 12 months. Amounts paid by the City are considered revenue to the Fire Department, and insurance expense includes these amounts.

*Utility subsidies* - Amounts expended by the City of Thibodaux for the utility bills on the fire companies' firehouses. Amounts paid by the City are considered revenue to the Fire Department, and utility expenses include these amounts.

Part of the Fire Department's purpose is to adequately protect and maintain all firefighting type equipment. The cost of insurance and utilities is an integral part of

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such maintenance and protection. Therefore, these costs are reflected on the Department's records as insurance premiums and utilities even though they were paid by the City of Thibodaux.

*Fire insurance rebates* - A state tax is assessed on fire insurance policies issued in the State of Louisiana. The State remits a portion of these funds to the various parishes of the state with instructions on how much the Parish is to remit to each city or fire district to support firefighting.

*Other support* - The city paid for the miscellaneous radio service agreements, security detail, supplies, and repairs and maintenance on behalf of the Fire Department. This miscellaneous other support totaled \$19,005.

*Property and equipment* - The city paid for and owns equipment and other property used by the fire department. During its fiscal year ended November 30, 2020, the City of Thibodaux expended \$43,594 for this purpose. As ownership remains with the City, this equipment is not recorded on the books of the Fire Department.

**NOTE 5. PROPERTY TAXES**

The Fire Department received \$783,300 of support from the City of Thibodaux in the form of property taxes during fiscal year ended November 30, 2020. Two mills were approved by the voters of Thibodaux for a period of ten years. In October 2011, this ten-year period was renewed commencing December 2013. In 2017, the voters renewed a five-mill property tax bringing the total millage authorized by the voters to seven. Through the normal property reassessment process, the voter approved property taxes are assessed, for the 2019 tax roll, at 1.83 mills and 5 mills of the authorized 2 mills and 5 mills.

**NOTE 6. TAX ABATEMENTS**

The City of Thibodaux enters into property tax abatement agreements with local businesses under the Restoration Tax Abatement Program was created by Act 445 of the 1983 Legislature, and revised by Act 783 of 1984, Article VII, Part II, Section 21 (H) of the Louisiana Constitution and Louisiana R.S. 47: 4311-4319, to authorize the Board of Commerce and Industry, with the approval of the Governor and the local governing authority and in accordance with procedures and conditions provided by



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law, to enter into a contract granting property owners who propose the expansion, restoration, improvement or development of an existing structure or structures in a downtown development district, historic district, or economic development district, established in accordance with law, the right to pay ad valorem taxes based upon the assessed valuation of property prior to the commencement of the expansion, restoration, improvement or development.

For the fiscal year ended November 30, 2020, the City's property tax abatements which represent the Fire Department's portion of the forfeited tax revenue are immaterial to the Fire Department's financial statements.

**NOTE 7. COOPERATIVE AGREEMENTS**

*Lafourche Parish Fire Protection District No. 4*

On May 19, 1989, the Fire Department contracted with the Lafourche Parish Fire Protection District No.4, a district adjacent to, but outside, the city limits of Thibodaux, for the Fire Department to coordinate and supervise firefighting and emergency service in that fire district. The contract is for a period of ten years and is automatically renewed for an additional ten years unless both parties mutually elect to terminate the renewal option within 90 days of renewal. Under the agreement, the Fire Department helps organize and train the volunteers needed to operate a fire company in the district. The fire company located in the District is allowed all benefits allowed to other fire companies directed by the Fire Department.

Under the term of the cooperative agreement, the Fire Department pays for gasoline and maintenance of these fire trucks and other firefighting equipment and pays for maintenance of the building housing the fire trucks and equipment in the District. During the period ended November 30, 2020, the Fire Department incurred expenses of \$11,552 in connection with the Bowie Fire Company, the company located in District No. 4 (See supplemental schedule 2).

A millage is presently being collected by Fire District No.4 from the District's residences. It is anticipated Fire District No.4 will continue to collect this millage. As per the co-operative agreement contract, millage amounts and fire insurance rebates collected by District No.4 are to be contributed to the Thibodaux Volunteer Fire Department, Inc. During the year ended November 30, 2020, \$116,477 was received from Fire District No. 4.

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
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*Home Hook and Ladder Company No. 1*

On June 23, 2009, the Fire Department entered into an agreement with Home Hook and Ladder Company No. 1 (Hooks), one of the eight volunteer fire companies that are supervised by the Fire Department. The agreement states that the Fire Department will allow Hooks to occupy the fire station, owned by the Fire Department and located on Canal Boulevard, in exchange for providing fire protection services to the City of Thibodaux.

\$121,209 has been paid, in previous years, by Hooks to the Fire Department for consideration of this agreement. The figure was determined by a mutually agreed upon percentage of the total cost of construction of the new fire station.

The term of the agreement shall be for as long as Hooks is an officially recognized fire company of the Fire Department. In the event that Hooks is no longer an officially recognized fire company of the Fire Department, then this agreement shall terminate, and Hooks shall vacate the premises immediately upon notice by the Fire Department.

**NOTE 8. FIREMEN FAIR**

The Fire Department's primary fund raiser is an award-winning local fair held annually. Due to the COVID-19 pandemic, the fair was cancelled for 2020. The community supported the Fire Department with monetary donations, a raffle, and a hamburger fund raiser. Details of the raffle and hamburger fundraiser can be found on schedule 1. Donations are presented on the statement of activities.

**NOTE 9. HURRICANE RELIEF DONATIONS**

In a response to the hurricanes which devastate the southern United States each Hurricane Season, the Fire Department collects donations for food and supplies to be delivered to the affected regions each year. The Department continues to accept donations to support its relief efforts which are reported as support with donor restrictions on the Statement of Activities. At year-end, there remained an unused balance of \$13,471 which is included as net assets with donor restrictions on the Statement of Financial Position.

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2020**

**NOTE 10. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Fire Department's financial assets consisting of cash and cash equivalents available within one year for general use as of November 30, 2020 are \$4,901,550. In order to manage liquidity, the Fire Department has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations become due.

**NOTE 11. ADVANCES TO FIRE COMPANIES**

On November 11, 2004, the Board of Directors signed a promissory note of \$68,000 to the VCH Fire Company, one of eight volunteer fire companies that staff and maintain fire trucks and equipment owned by the Fire Department. The advance was made in connection with the VCH Fire Company's building a new fire station owned by the VCH Fire Company.

The \$3,000 annual payment was deferred in 2020 due to the COVID-19 pandemic. At November 30, 2020, the Fire Department had \$23,000 in advances receivable from VCH. This amount is unsecured.

**NOTE 12. NOTE PAYABLES**

The Fire Department has no long-term or short-term obligations except for operating accounts payables to vendors.

**NOTE 13. RISK MANAGEMENT**

The Fire Department is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries and illness; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims that exceeded this commercial coverage during the year ended November 30, 2020.

**NOTE 14. LITIGATION AND CLAIMS**

At November 30, 2020, the Thibodaux Volunteer Fire Department, Inc. had no litigation or claims pending.

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**November 30, 2020**

**NOTE 15. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through May 21, 2021, the date that the financial statements were available to be issued.

## **Supplemental Information**

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Fair Support Revenue and Expenses**  
**For the Year Ended November 30, 2020**

**Fair Support Revenue**

Auction	\$ 3,650
Booster Club raffle	76,989
Hamburger Fund Raiser	80,195
Other	<u>2,000</u>
<b>Total Fair Support Revenue</b>	<b>\$ <u>162,834</u></b>

**Fair Support Expenses**

Fundraising	\$ 4,026
Booster Club raffle expenses	36,483
Hamburger fund raiser	27,488
Other expenses	<u>3,300</u>
<b>Total Fair Support Expenses</b>	<b><u>71,297</u></b>
<b>Excess of Revenue Over Expenses</b>	<b><u><u>\$ 91,537</u></u></b>

Note: Due to the COVID-19 pandemic, the Fireman's Fair was cancelled for 2020. The community supported the Department with the Raffle and Hamburger Fund Raiser to offset some of the revenue lost by the fair cancellation.

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Operation and Maintenance Expenses of Fire Fighting Equipment**  
**For the Year Ended November 30, 2020**

	Cost Centers												Totals
	1	2	3	4	5	6	7	8	9	10	11	12	
<b>Expense Classification</b>													
Gas, Oil, Etc.	\$ 656	\$ 775	\$ 4,594	\$ 103	\$ 311	\$ 248	\$ 376	\$ 6,476	\$ 1,371	\$ 1,683	\$ 1,225	\$ 1,991	\$ 19,808
Truck and Vehicle Maintenance	4,632	11,200	11,983	1,087	2,712	5,917	2,763	15,887	1,486	5,400	9,355	6,333	78,756
Fair Proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0
Station Maintenance	417	1,035	0	0	0	0	412	0	0	0	0	2,330	4,193
Truck House Repairs	0	0	0	0	0	75	0	0	0	0	0	0	75
Equipment Expense	0	0	3,061	0	0	461	43	7,717	1,960	0	972	14	14,227
Pagers	0	0	0	0	0	0	0	0	0	0	0	0	0
Radio Expense	0	0	0	0	0	0	0	1,901	0	0	0	0	1,901
Batteries	0	0	0	0	0	0	0	638	0	0	0	0	638
Miscellaneous Expense	0	0	0	0	0	0	0	127	95	8,195	0	0	8,418
Compressor & Bottle Maintenance	0	0	0	0	0	0	0	0	0	331	0	0	331
<b>Totals</b>	<u>\$ 5,705</u>	<u>\$ 13,011</u>	<u>\$ 19,639</u>	<u>\$ 1,189</u>	<u>\$ 3,023</u>	<u>\$ 6,701</u>	<u>\$ 3,593</u>	<u>\$ 32,746</u>	<u>\$ 4,912</u>	<u>\$ 15,609</u>	<u>\$ 11,552</u>	<u>\$ 10,667</u>	<u>\$ 128,347</u>

**Cost Center Description:**

- 1 - Thibodaux Fire Company #1
- 2 - Protector Fire Company #2
- 3 - Home Hook and Ladder Company #1
- 4 - Vigilant Chemical and Hose Company
- 5 - North Thibodaux Fire Company
- 6 - South Thibodaux Fire Company
- 7 - West Thibodaux Fire Company
- 8 - Fire Chief's Account
- 9 - Rescue 1
- 10 - Command Center (Includes Hose Tender; Air 1; SCBA)
- 11 - Bowie Fire Company (See Note 7)
- 12 - Acadia Station

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**General and Administrative Service Expenses**  
**For the Year Ended November 30, 2020**

**General and Administrative:**

Insurance	\$	179,490
Depreciation		697,929
Accounting, Secretary, Treasurer		24,500
Legal and Professional fees		5,310
Conventions and Meetings		7,781
Building Repair and Maintenance		27,428
Telephone		10,133
Office Supplies and Expense		5,897
Miscellaneous		11,655
Grass Cutting		16,620
Information Technology & Internet Service		25,479
<b>Total General and Administrative</b>	<b>\$</b>	<b><u>1,012,221</u></b>



## **Reports by Management**

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.**  
**Thibodaux, Louisiana**

**Summary Schedule of Prior Audit Findings**  
**For the Year Ended November 30, 2020**

**Section I - Internal Control and Compliance material to the financial statements**

**Ref. No.: 1119-01**

**Description of Finding**

Violation of R.S. 42:1111, R.S. 42:1112 and/or R.S. 42:1113, Payment from nonpublic sources, Participation in certain transactions involving the governmental entity, and/or Prohibited contractual arrangements; exceptions; reports - Noncompliance

It may also be a violation of R.S. 42:1111, R.S. 42:1112 and/or R.S. 42:1113 for the Board Member who is employed by Sunbelt Fire, Inc. to also provide services to the TVFD as an employee of Sunbelt Fire, Inc.

**Corrective Action Taken**

On July 16, 2019, the TVFD requested the Louisiana Board of Ethics (the Board) to issue an advisory opinion on this matter. The Board declined to render an advisory opinion at the time. On August 13, 2019, the Board issued charges against both Ronnie Chaisson and Sunbelt Fire, Inc. regarding the above alleged violation(s). Beginning in June 2019, Mr. Chaisson abstained from voting to approve invoices for payment to Sunbelt Fire, Inc. and on November 6, 2019, his employment with Sunbelt Fire, Inc. was terminated. The Board's charges have been settled and the matter is considered resolved.

**Section II - Management Letter**

No management letter was issued in the prior year.

**THIBODAUX VOLUNTEER FIRE DEPARTMENT, INC.  
Thibodaux, Louisiana**

**Corrective Action Plan for Current Year Audit Findings  
For the Year Ended November 30, 2020**

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

There are no findings reported in the current year.

**Section II – Management Letter:**

There was no management letter issued in the current year.

**Special Reports of  
Certified Public Accountants**



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 Board  
Thibodaux Volunteer Fire Department, Inc.  
Thibodaux, 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 Thibodaux Volunteer Fire Department, Inc. (a nonprofit organization), which comprise the statement of financial position as of November 30, 2020, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 21, 2020.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Thibodaux Volunteer Fire Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Thibodaux Volunteer Fire Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that

we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

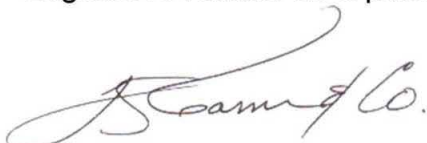
### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Thibodaux Volunteer Fire 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Thibodaux, Louisiana  
May 21, 2021