

KENSINGTON FIRE PROTECTION DISTRICT
Presentation to the Board of Directors
For the Fiscal Year Ended
June 30, 2024

NIGRO & NIGRO^{PC}



SCOPE OF WORK

Perform Audit Testwork of the Entity's Annual Financial Statements/Report

Report on the Entity's internal control over financial reporting and on compliance in accordance with Government Auditing Standards

OUR RESPONSIBILITY IN ACCORDANCE WITH PROFESSIONAL STANDARDS

1. Form and express an opinion about whether the Annual Financial Statements results, that have been prepared by management, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
2. Our responsibility is to plan and perform the audit to obtain **reasonable assurance (not absolute assurance)** about whether the Annual Financial Statements are free of material misstatements.
3. We are to consider the Entity's internal controls and segregations of duties over accounting procedures and financial reporting as we perform our audit testwork. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

AUDIT RESULTS

An Auditor's **Unmodified Opinion** has been issued on the Annual Financial Statements.

- The Annual Financial Statements are fairly presented in all material respects.
- The adopted significant accounting policies have been consistently applied.
- Estimates are considered reasonable for Depreciation and OPEB expenses.
- Required disclosures are properly reflected in the Annual Financial Statements.

AU-C 265 – Communicating Internal Control Related Matters Identified in an Audit

No Material Issues Arose to be Reported to the Governing Board/Management

Any Minor Issues Were Discussed Orally and Corrected by Management

How Do We Make You Better?

Best Practice Solutions Were Conveyed to Management – That's the Audit ROI

Kensington Fire Protection District
Dashboard – Audited Financial Statements
June 30, 2024 vs 2023

Revenues & Expenses	2024	2023	Variance
General Revenues:			
Property Taxes - 4.8%	5,543,186	5,288,892	254,294
Special Tax	200,827	200,437	390
Rental Income	-	3,050	(3,050)
Investment Earnings	228,030	153,346	74,684
Other Revenues	186	990	(804)
Total Revenues	5,972,229	5,646,715	325,514
Expenses:			
Salaries & Wages	222,346	173,327	49,019
Employee Benefits	(220,156)	20,246	(240,402)
Fire Contract – El Cerrito	4,157,316	3,921,037	236,279
Materials & Services	416,520	412,682	3,838
Depreciation Expense	179,758	173,673	6,085
Cost of Debt Issuance	-	92,000	(92,000)
Interest Expense	87,912	83,272	4,640
Total Expenses	4,843,696	4,876,237	(32,541)
Change in Revenues & Expenses	\$ 1,128,533	\$ 770,478	\$ 358,055
Capital Outlay:			
Capital Asset Additions	\$ (5,824,672)	\$ (2,588,291)	\$ (3,236,381)
Depreciation Expense	179,758	173,673	6,085
Change in Capital Expense	(5,644,914)	(2,414,618)	(3,230,296)
Debt Service:			
Principal Issued	\$ -	\$ 2,160,000	\$ (2,160,000)
Principal Paid	-	-	-
Change in Debt Service	\$ -	2,160,000	(2,160,000)
Cash & Investments	\$ 6,848,347	\$ 10,861,083	\$ (4,012,736)
Quick Summary:			
Change in Revenues & Expenses	\$ 1,128,533		
Change in Capital Expense	(5,644,914)	Use of Cash	
Change in Debt Service	-	Use of Cash	
Change in Accounts Payable	787,730	Non-Cash	
Change in El Cerrito Payable	(77,554)	Non-Cash	
Change in OPEB asset	(184,878)	Non-Cash	
Change in Cash & Investments	\$ (3,991,083)	Approximately	\$ 21,653
Investment Earnings to Portfolio	2.58%		