

**Benton Fire District No. 4
Benton, Louisiana
Financial Statements With Auditor's Report**

As of and For the Year Ended December 31, 2024

Benton Fire District No. 4
Benton, Louisiana

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Independent Auditors' Report

Board of Commissioners
Benton Fire District No. 4
Benton, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Benton Fire District No. 4, a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Benton Fire District No. 4'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 and each major fund of Benton Fire District No. 4, as of December 31, 2024, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Benton Fire District No. 4 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 Benton Fire District No. 4'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.

Auditors' 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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgement 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 Benton Fire District No. 4'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 Benton Fire District No. 4'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 management's discussion and analysis and pages 4 – 9, budgetary comparison information on pages 34 – 35, the Schedule of Contributions on page 36, and the Schedule of Proportionate Share of Net Pension Liability on page 37, 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 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. 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 responses 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Benton Fire District No. 4's basic financial statements. The accompanying other supplementary information listed in the table of contents as Schedule of Compensation, Benefits, and Other Payments to Agency Head and shown on pages 38 is presented for purposes 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 relates 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 Schedule of Compensation, Benefits, and Other Payments to Agency Head, shown on page 38 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 June 27, 2025, on our consideration of Benton Fire District No. 4'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 solely 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 the effectiveness of Benton Fire District No. 4's 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 Benton Fire District No. 4's internal control over financial reporting and compliance.

Cook & Morehart
Certified Public Accountants
June 27, 2025

BENTON FIRE DISTRICT NO. 4

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Benton Fire District No. 4's financial performance provides an overview of the Benton Fire District No. 4's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the District's financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

The Benton Fire District No. 4's net position increased by \$440,754 or 19%.

The Benton Fire District No. 4's total general revenues were \$5,423,152 in 2024 compared to \$5,026,318 in 2023.

During the year ended December 31, 2024, Benton Fire District No. 4 had total expenses, excluding depreciation, of \$5,244,583, compared to \$5,309,496 for 2023.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 10 and 11) provide information about the activities of the Benton Fire District No. 4 as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 12. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Benton Fire District No. 4's operations in more detail than the government-wide statements by providing information about the Benton Fire District No. 4's most significant funds.

The Benton Fire District No. 4 was determined to be a component unit of the Bossier Parish Police Jury. The police jury is financially accountable for the district because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them. The accompanying financial statements present information only on the funds maintained by the Benton Fire District No. 4.

Reporting the Benton Fire District No. 4 as a Whole

Our analysis of the Benton Fire District No. 4 as a whole begins on page 10. One of the most important questions asked about the Benton Fire District No. 4's finances is "Is the Benton Fire District No. 4 as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the funds maintained by the Benton Fire District No. 4 as a whole and

about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Benton Fire District No. 4's *net position* and changes in them. You can think of the Benton Fire District No. 4's net position – the difference between assets and liabilities – as one way to measure the Benton Fire District No. 4's financial health, or *financial position*. Over time, *increases* or *decreases* in the Benton Fire District No. 4's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base, to assess the overall health of the District.

In the Statement of Net Position and the Statement of Activities, we record the funds maintained by the Benton Fire District No. 4 as governmental activities:

Governmental activities – all of the expenses paid from the funds maintained by the Benton Fire District No. 4 are reported here, which consists primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Ad valorem taxes finance most of these activities.

Reporting the District's Most Significant Funds

Our analysis of the major funds maintained by the Benton Fire District No. 4 begins on page 12. The fund financial statements begin on page 12 and provide detailed information about the most significant funds maintained by the Benton Fire District No. 4 – not the Benton Fire District No. 4 as a whole. The Benton Fire District No. 4's *governmental funds* use the following accounting approaches:

Governmental funds – All of the Benton Fire District No. 4's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Benton Fire District No. 4's general government operations and the expenses paid from those funds.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Benton Fire District No. 4 expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

THE BENTON FIRE DISTRICT NO. 4 AS A WHOLE

The Benton Fire District No. 4's total net position changed from a year ago, increasing from (\$2,310,237), to (\$1,869,483). Our analysis below will focus on key elements of the Governmental Activities for the December 31, 2024 and 2023 years.

Table 1
Net Position

	Governmental Activities	
	2024	2023
Current and other assets	\$ 6,927,466	\$ 6,722,652
Capital assets	3,807,934	2,867,875
Total assets	<u>10,735,400</u>	<u>9,590,527</u>
Deferred outflows of resources - pension related	<u>1,515,807</u>	<u>1,922,062</u>
Current liabilities	275,661	309,747
Long term liabilities	<u>7,502,595</u>	<u>8,164,232</u>
Total liabilities	<u>7,778,256</u>	<u>8,473,979</u>
Deferred inflows of resources - ad valorem taxes	6,021,813	4,884,098
pension related	<u>320,621</u>	<u>464,779</u>
	<u>6,342,434</u>	<u>5,348,877</u>
Net Position (deficit)		
Investment in capital assets	1,270,934	1,108,166
Restricted:		
debt service	226,627	951,177
capital improvements	12,500	
Unrestricted (deficit)	<u>(3,379,544)</u>	<u>(4,369,580)</u>
Total net position	<u>\$ (1,869,483)</u>	<u>\$ (2,310,237)</u>

Net position of the Benton Fire District No. 4's governmental activities increased by \$440,754 or 19%, as shown above. Unrestricted net position, the part of net position that can be used to finance Benton Fire District No. 4 expenses without constraints or other legal requirements, increased \$990,036, from (\$4,369,580), in 2023 to (\$3,379,544) at December 31, 2024, as shown in the table above. This increase is due in part to the increase in ad valorem taxes.

Table 2
Change in Net Position

	Governmental Activities	
	2024	2023
Revenues		
Program revenue		
Charges for services	\$ 8,838	\$ 12,065
Capital grants and contributions	12,500	68,797
Operating grants and contributions	533,588	499,233
General revenues		
Ad valorem taxes	5,033,106	4,706,345
Intergovernmental	191,352	144,349
Miscellaneous	13,769	12,766
Interest and dividends	184,925	162,858
Total Revenues	<u>5,978,078</u>	<u>5,606,413</u>
Expenses		
Public Safety - fire protection	<u>5,537,324</u>	<u>5,544,932</u>
Decrease in net assets	<u>\$ 440,754</u>	<u>\$ 61,481</u>

Total expenses decreased \$7,608 or 1% from total expenses in the year ended December 31, 2023, of \$5,544,932 to total expenses of \$5,537,324 in the year ended December 31, 2024.

Total revenues increased \$371,665 or 6% from total revenue in the year ended December 31, 2023, of \$5,606,413 to total revenue of \$5,978,078 in the year ended December 31, 2024. The primary reason for the increase is an increase in ad valorem taxes.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 12) reported a *combined* fund balance of \$650,203, which is lower than last year's fund balance of \$1,550,362. The primary reason for the decrease is due to expenditures for capital outlay.

General Fund Budgetary Highlights

The District adopted a budget for its General Fund for the year ended December 31, 2024. There was one amendment to the budget during the year. The District's budgetary comparison is presented as required supplementary information and shown on page 34.

Highlights for the year are as follows:

- Total actual expenditures were higher than budgeted expenditures, this is primarily due to the District not budgeting debt service payments.
- Total actual revenues were more than budgeted by approximately \$19,527, due to higher than anticipated interest income.

The District's General Fund balance of \$631,764 reported on page 14 differs from the General Fund's *budgetary* fund balance of \$662,791 reported in the budgetary comparison schedule on page 34. This is primarily due to the District budgeting on the cash basis of accounting.

CAPITAL ASSETS

At the end of December 31, 2024 and 2023, the Benton Fire District No. 4 had invested \$3,807,934 and \$2,867,875, in capital assets, respectively. (see table 3 below)

Table 3
Capital Assets At Year End
(Net of Depreciation)

	Governmental Activities	
	2024	2023
Land	\$ 84,247	\$ 84,247
Idle assets	40,280	40,280
Buildings	1,483,627	1,546,848
Equipment	498,363	543,937
Vehicle improvements	4,730	5,210
Apparatus	1,641,373	592,039
Leasehold improvements	55,314	55,314
Total	<u>\$ 3,807,934</u>	<u>\$ 2,867,875</u>
This year's major additions included:		
Land	\$	\$ 68,797
Equipment	7,650	75,780
Apparatus	1,196,928	46,506
Buildings	30,180	971,946
Total	<u>\$ 1,234,758</u>	<u>\$ 1,163,029</u>

More detailed information about the capital assets are presented in Note 4 to the financial statements.

DEBT

Long-term liabilities of Benton Fire District No. 4 are as follows:

Table 4
Outstanding Debt At Year End

	Governmental Activities 2024	Governmental Activities 2023
Series 2022 Limited Tax Bonds	\$ 2,537,000	\$ 2,702,000
Net pension liability	4,965,595	5,462,232
Total long-term liabilities, governmental activities	<u>\$ 7,502,595</u>	<u>\$ 8,164,232</u>

In 2022, the District issued \$2,835,000 in Series 2022 Limited Tax Bonds. The bonds will be paid from income derived from the levy and collection of an ad valorem tax of 2.0 mills.

More detailed information about long-term liabilities can be found in Notes 7 and 8.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Benton Fire District No. 4's management considered many factors when setting a fiscal year December 31, 2025 budget. Ad valorem revenues are expected to increase due to continued growth in the District. Operating expenditures are expected to increase due to the addition of personnel.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Benton Fire District No. 4 and to show the Benton Fire District No. 4's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Benton Fire District No. 4, at P.O. Box 521, Benton, Louisiana 71006.

Benton Fire District No. 4
Benton, Louisiana
Statement of Net Position
December 31, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 452,995
Investments	226,031
Accounts receivable	
Ad valorem taxes	6,021,813
Restricted cash	226,627
Capital assets	
Depreciable (net)	3,683,407
Non-depreciable	124,527
	<hr/>
Total assets	10,735,400
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	1,515,807
	<hr/>
LIABILITIES	
Accounts payable	9,027
Accrued expenses	266,634
Long-term liabilities:	
Due within one year	168,000
Due within more than one year	7,334,595
	<hr/>
Total liabilities	7,778,256
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	
Ad valorem taxes	6,021,813
Pension related	320,621
	<hr/>
Total deferred inflows of resources	6,342,434
	<hr/>
NET POSITION (DEFICIT)	
Net investment in capital assets	1,270,934
Restricted	
Debt service	226,627
Capital improvements	12,500
Unrestricted (deficit)	(3,379,544)
	<hr/>
Total net position (deficit)	\$ (1,869,483)
	<hr/>

See accompanying notes to the basic financial statements.

Benton Fire District No. 4
Benton, Louisiana
Statement of Activities
For the Year Ended December 31, 2024

	Governmental Activities
Expenses:	
General government	\$ 168,595
Public safety - fire protection	5,307,437
Interest on long-term debt	61,292
Total expenses	<u>5,537,324</u>
Program revenues:	
Charges for services	8,838
Capital grants and contributions	12,500
Operating grants and contributions	533,588
	<u>554,926</u>
Net program expenses	<u>(4,982,398)</u>
General revenues:	
Ad valorem taxes	5,033,106
Intergovernmental - fire insurance rebate	191,352
Interest and dividends	184,925
Miscellaneous	13,769
Total general revenues	<u>5,423,152</u>
Change in net position	440,754
Net position (deficit) - beginning	<u>(2,310,237)</u>
Net position (deficit) - ending	<u><u>\$ (1,869,483)</u></u>

See accompanying notes to the basic financial statements.

Benton Fire District No. 4
Benton, Louisiana
Balance Sheet
Governmental Funds
December 31, 2024

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 452,995	\$	\$ 452,995
Investments	226,031		226,031
Accounts receivable			
Ad valorem taxes	6,021,813		6,021,813
Restricted cash	208,188	18,439	226,627
Total assets	<u>\$ 6,909,027</u>	<u>\$ 18,439</u>	<u>\$ 6,927,466</u>
Liabilities			
Accounts payable	\$ 9,027	\$	\$ 9,027
Accrued expenses	246,423		246,423
Total liabilities	<u>255,450</u>		<u>255,450</u>
Deferred inflows of resources			
Unavailable revenue			
Ad valorem taxes	6,021,813		6,021,813
Total deferred inflows of resources	<u>6,021,813</u>		<u>6,021,813</u>
Fund balances			
Restricted			
Debt service	208,188	18,439	226,627
Capital improvements	12,500		12,500
Unassigned	411,076		411,076
Total fund balances	<u>631,764</u>	<u>18,439</u>	<u>650,203</u>
Total Liabilities, Deferred inflows of resources, and Fund Balances	<u>\$ 6,909,027</u>	<u>\$ 18,439</u>	<u>\$ 6,927,466</u>

See accompanying notes to the basic financial statements.

Benton Fire District No. 4
Benton, Louisiana
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2024

Fund balances - total governmental funds	\$ 650,203
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,807,934
Other long-term assets and other amounts are not available to pay for current-period expenditures and therefore are not available in the governmental funds.	
Deferred outflows - pension related	1,515,807
Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(2,537,000)
Accrued interest	(20,211)
Net pension liability	(4,965,595)
Deferred inflows - pension related	(320,621)
Net position (deficit) of governmental activities	<u>\$ (1,869,483)</u>

See accompanying notes to the basic financial statements.

Benton Fire District No. 4
Benton, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues			
Ad valorem taxes	\$ 5,033,106	\$	\$ 5,033,106
Intergovernmental-fire insurance rebate	191,352		191,352
Intergovernmental-supplemental pay	258,600		258,600
Intergovernmental-grants and contributions	12,500		12,500
Fees - charges for services	8,838		8,838
Interest and dividends	184,641	284	184,925
Miscellaneous	13,769		13,769
	<u>5,702,806</u>	<u>284</u>	<u>5,703,090</u>
Total revenues			
Expenditures			
Current:			
General government	168,595		168,595
Public Safety	4,968,802	3,488	4,972,290
Capital outlay	37,830	1,196,928	1,234,758
Debt service			
Principal retirement		165,000	165,000
Interest and other charges		62,606	62,606
	<u>5,175,227</u>	<u>1,428,022</u>	<u>6,603,249</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	527,579	(1,427,738)	(900,159)
Other financing sources			
Transfers in		495,000	495,000
Transfers out	(495,000)		(495,000)
Total other financing sources	<u>(495,000)</u>	<u>495,000</u>	<u></u>
Net change in fund balances	32,579	(932,738)	(900,159)
Fund balances at beginning of year	<u>599,185</u>	<u>951,177</u>	<u>1,550,362</u>
Fund balances at end of year	<u>\$ 631,764</u>	<u>\$ 18,439</u>	<u>\$ 650,203</u>

See accompanying notes to the basic financial statements.

Benton Fire District No. 4
Benton, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of the Governmental Fund to the Statement of Activities
For the Year Ended December 31, 2024

Net change in fund balance - total governmental funds	\$ (900,159)
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. This is the amount by which capital outlays (\$1,234,758) exceeded depreciation (\$292,741) in the current period.	942,017
A loss on disposal of capital assets is recorded in the statement of activities, but is not recognized in the fund statements	(1,958)
The repayment of principal of long-term debt consumes current financial resources of governmental funds.	165,000
Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not recorded as expenditures in governmental funds.	1,315
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Non-employer contributions to cost-sharing pension plan	274,988
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Pension expense	(40,449)
Change in net position of governmental activities	<u>\$ 440,754</u>

See accompanying notes to the basic financial statements.

Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024

INTRODUCTION

The Benton Fire District No. 4 (the District) was created by the Bossier Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492, on November 10, 1987 by ordinance number 2096. The District is governed by a five member board of commissioners appointed by the Bossier Parish Police Jury, the Town of Benton, and by the commissioners themselves. The Board of Commissioners received no compensation during 2024. The District is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district.

(1) Summary of Significant Accounting Policies

The Benton Fire District No. 4's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Benton Fire District No. 4 are discussed below.

A. Reporting Entity

The District is a component unit of the Bossier Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the District because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the district and do not present information on the Bossier Parish Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basic Financial Statements – Government-Wide Statements

The Benton Fire District No. 4's basic financial statements include both government-wide (reporting the funds maintained by the Benton Fire District No. 4 as a whole) and fund financial statements (reporting the Benton Fire District No. 4's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Benton Fire District No. 4's general fund is classified as governmental activities. The Benton Fire District No. 4 does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables. The Benton Fire District No. 4's net position are reported in two parts – investment in capital assets (net of related debt), restricted, and unrestricted net position.

(Continued)

Benton Fire District No. 4
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Notes to Financial Statements
December 31, 2024
(Continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the Benton Fire District No. 4's functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. The District's program revenues consist of non-employer contributions to cost-sharing pension plan, state supplemental pay on be-half payments, grants and contributions, and fees-charges for services. The net costs (by function) are normally covered by general revenues.

This government-wide focus is more on the sustainability of the Benton Fire District No. 4 as an entity and the change in the Benton Fire District No. 4's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Benton Fire District No. 4 are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Benton Fire District No. 4:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the Benton Fire District No. 4:

- a. General funds are the general operating funds of the Benton Fire District No. 4. They are used to account for all financial resources except those required to be accounted for in another fund.
- b. Capital projects fund accounts for the construction, equipment, and other expenditures associated with the \$2,835,000 Series 2022 debt issuance.

The emphasis in fund financial statements is on the major funds in the governmental category. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District's general fund and capital projects fund were determined to be major funds.

D. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Revenues of the Benton Fire District No. 4 consist principally of property taxes, other intergovernmental revenues, donations, and interest income. Property taxes are recorded in the year for which the taxes are levied and budgeted. Property taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. The 2024 tax levy is intended to fund the 2025 fiscal year; therefore, the levy has been recorded as a receivable and deferred inflows of resources. Interest income is recorded when earned. Donations and other intergovernmental revenues are recorded when received in cash because they are generally not measurable until actually received.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this rule is that principal and interest on general obligation long-term debt, if any, is recognized when due. Depreciation is not recognized in the governmental fund financial statements.

F. Budgets

The District uses the following budget practices:

1. A preliminary budget for the ensuing year is prepared by the fire chief prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year.
2. After completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution.
3. All budgetary appropriations lapse at the end of each fiscal year.

(Continued)

Benton Fire District No. 4
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Notes to Financial Statements
December 31, 2024
(Continued)

4. The budget is established and controlled by the board of commissioners at the object level of expenditure. All changes in the budget must be approved by the board.
5. The budget is adopted on a cash basis for all funds. The original budget was amended one time during 2024. The amendments are reflected in the budgetary comparisons included in the accompanying financial statements.

G. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, interest-bearing demand deposits, and money market accounts. Cash and cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or money market accounts with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost, which approximates market.

H. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition 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 on all assets is provided on the straight-line basis over the following estimated useful lives:

Apparatus	5 – 35 years
Buildings	20 – 40 years
Vehicle improvements	10 – 20 years
Equipment	5 – 25 years

I. Compensated Absences

The District follows leave policies set forth in Louisiana Revised Statutes 33:1995, et. al. After having served one year, firemen shall be entitled to an annual vacation of eighteen days with full pay. This vacation period shall be increased one day for each year of service over ten years, up to a maximum vacation period of thirty days, all of which shall be with full pay. Vacation pay not used by December 31 of each year is forfeited.

Firemen are entitled to full pay during sickness for a period of not less than fifty-two weeks per year.

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Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

K. Deferred Inflows / Outflows of Resources

The District's governmental activities and governmental funds report a separate section for deferred inflows of resources. This separate financial statement element *deferred inflows of resources* represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. On the fund balance sheet, the District reports unavailable revenue from property taxes. On the statement of net position, the District reports unavailable revenue from property taxes and pension-related amounts. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or the period for which they are levied and budgeted.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has deferred outflows of resources related to pensions reported in the government-wide statement of net position.

L. Net Position

Government-wide net position is divided into two components: Net investment in capital assets consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets. All other net position is reported as unrestricted net position. When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

M. Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

1. Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted – amounts that can be spent only for specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

(Continued)

Benton Fire District No. 4
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Notes to Financial Statements
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(Continued)

3. Committed - amounts that can be used only for the specific purposes as a result of constraints imposed by the board of commissioners (the district's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the board of commissioners remove those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned - amounts that are constrained by the district's intent to be used for specific purposes, but are neither restricted nor committed.
5. Unassigned - all amounts not included in other spendable classifications

The District's policy is to apply expenditures against restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

N. Fair Value Measurements

Generally accepted accounting principles require disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 inputs – The valuation is based on quoted market prices for identical assets or liabilities traded in active markets;

Level 2 inputs – The valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability;

Level 3 inputs – The valuation is determined by using the best information available under the circumstances and might include the government's own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on lowest level of any input that is significant to the fair value measurement.

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Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

(2) Levied Taxes

The following is a summary of authorized and levied ad valorem taxes:

	Authorized Millage	Levied Millage	Expiration Date
Operating	20.00	20.00	2027
Operation and maintenance	2.00	2.00	2036

A special election was held on December 11, 2021 whereby the voters approved a special tax of two (2.00) mills on all property subject to tax in the District for a period of fifteen (15) years, beginning with the year 2022 and ending with the year 2036, for the purpose of acquiring, constructing, improving, maintaining or operating fire protection and emergency medical service facilities, vehicles and equipment, including both movable and immovable property, that are to be used to provide fire protection and medical service in the District, including paying the costs of obtaining water for fire protection purposes and salaries of fireman, and all purposes incidental thereto.

(3) Cash, Cash Equivalents and Investments

At December 31, 2024, the District had cash, cash equivalents, and investments (book balances) totaling \$905,653, as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2024 (book balances) totaled \$679,622, of which \$226,627 is shown as restricted. 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.

Restricted cash at December 31, 2024 of \$226,627 consists of funds for debt service.

B. Investments

At December 31, 2024, Benton Fire District #4 had investments consisting of certificate of deposit totaling \$226,031. The investments are presented in the financial statements at fair value using level 2 fair value measure.

The certificate of deposit had a maturity greater than 90 days. The certificate of deposit is carried at cost, which approximates market.

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Benton Fire District No. 4
Benton, Louisiana
Notes to the Financial Statements
December 31, 2024
(Continued)

C. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2024, \$353,594 of the District's bank balances of \$946,473 was exposed to custodial credit risk as uninsured deposits protected and collateralized with pledged securities held by the pledging bank's trust department not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

(4) Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Balance at Jan. 1, 2024	Additions	Deletions	Balance at Dec. 31, 2024
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 84,247	\$	\$	\$ 84,247
Idle	40,280			40,280
Total capital assets, not being depreciated, at historical cost	<u>124,527</u>			<u>124,527</u>
Capital assets, being depreciated:				
Buildings	2,292,347	30,180		2,322,527
Equipment	921,432	7,650	(28,842)	900,240
Vehicle improvements	36,656			36,656
Apparatus	3,112,480	1,196,928		4,309,408
Leasehold improvements	62,917			62,917
Total capital assets, being depreciated, at historical cost	<u>6,425,832</u>	<u>1,234,758</u>	<u>(28,842)</u>	<u>7,631,748</u>
Less accumulated depreciation:				
Buildings	(745,499)	(93,401)		(838,900)
Equipment	(377,495)	(51,266)	26,884	(401,877)
Vehicle improvements	(31,446)	(480)		(31,926)
Apparatus	(2,520,441)	(147,594)		(2,668,035)
Leasehold improvements	(7,603)			(7,603)
Total accumulated depreciation	<u>(3,682,484)</u>	<u>(292,741)</u>	<u>26,884</u>	<u>(3,948,341)</u>
Total capital assets, being depreciated, net	<u>2,743,348</u>	<u>942,017</u>	<u>(1,958)</u>	<u>3,683,407</u>
Governmental capital assets, net	<u>\$ 2,867,875</u>	<u>\$ 942,017</u>	<u>\$ (1,958)</u>	<u>\$ 3,807,934</u>

Depreciation expense for the year ended December 31, 2024, was \$292,741.

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Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

(5) Accrued Expenses

Accrued expenses at December 31, 2024 consisted of the following:

Accrued payroll	\$ 21,999
Retirement payable	128,651
Payroll taxes and benefits	<u>95,773</u>
Total - governmental funds	246,423
Accrued interest	<u>20,211</u>
Total - governmental activities	<u>\$ 266,634</u>

(6) Risk Management

The District purchases commercial insurance to provide workers compensation and general liability and property insurance. There were no significant reductions in insurance coverages from the prior year.

(7) Long-term Liabilities

Long-term liability activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct borrowings and direct placements:					
Series 2022 Limited Tax Bond	\$ 2,702,000	\$	\$ (165,000)	\$ 2,537,000	\$ 168,000
Other long-term liabilities:					
Net pension liability	<u>5,462,232</u>		<u>(496,637)</u>	<u>4,965,595</u>	
Total long-term liabilities, governmental activities	<u>\$ 8,164,232</u>	<u>\$</u>	<u>\$ (661,637)</u>	<u>\$ 7,502,595</u>	<u>\$ 168,000</u>

Benton Fire District No. 4
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Notes to Financial Statements
December 31, 2024
(Continued)

In March 2022, the District issued \$2,835,000 of Limited Tax Bonds, Series 2022, which were issued for the purpose of (1) acquiring, constructing, improving, maintaining, or operating fire protection and emergency medical service facilities, vehicles and equipment, including both movable and immovable property, that are to be used to provide fire protection and medical service. The bonds have an interest rate of 2.390% and the District will pay yearly installments of approximately \$133,000 to \$224,000. The bonds will be paid from income derived from the levy and collection of an ad valorem tax of 2 mills.

Debt service requirements at December 31, 2024, were as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 168,000	\$ 58,627	\$ 226,627
2026	173,000	54,552	227,552
2027	177,000	50,369	227,369
2028	181,000	46,091	227,091
2029	185,000	41,717	226,717
2030-2034	996,000	139,170	1,135,170
2035-2037	657,000	23,792	680,792
	<u>\$ 2,537,000</u>	<u>\$ 414,318</u>	<u>\$ 2,951,318</u>

(8) Pension Plan

The District participates in the State of Louisiana Firefighters' Retirement System (System), a cost-sharing multiple-employer defined benefit pension plan established by Act 434 of 1979 to provide retirement, disability and survivor benefits to firefighters in Louisiana.

PLAN DESCRIPTION

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Eligibility Requirements

Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980 shall become a member as a condition of employment. Members in the System consist full-time firefighters, eligible employees of the retirement system, or any person in a position as defined in the municipal fire and police civil service system that earns at least \$375 per month, excluding state supplemental pay, and is employed by a fire department of any municipality, parish, or fire district of the State of Louisiana, except for Orleans Parish and the City of Baton Rouge.

No person who has attained age 50 or over shall become a member of the System, unless the person becomes a member by reason of a merger or unless the System received an application for membership before the applicant attained the age of 50. No person who has not attained the age of 18 shall become a member of the System.

(Continued)

Benton Fire District No. 4
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Notes to Financial Statements
December 31, 2024
(Continued)

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

Retirement Benefits

Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If employees terminate before completing 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions.

Benefits are payable over the retirees' lives in the form of a monthly annuity. A member may elect the maximum benefit (unreduced benefit with ceases upon the member's death) or any of six other options at retirement.

See R.S. 11:2256(A) for additional details on retirement benefits.

Disability Benefits

A member who acquires a disability, and who files for disability benefits while in service, and who upon medical examination and certification as provided for in Title 11, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

Death Benefits

Benefits shall be payable to the surviving eligible spouse or designated beneficiary of a deceased member as specified in R.S. 11:2256(B) and (C).

Deferred Retirement Option Plan

After completing 20 years of creditable service and attaining the age of 50 years, or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in the DROP, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the member's DROP account. Upon termination of employment, a participant in the program has several options to receive their DROP benefit. A member may (1) elect to roll over all or a portion

(Continued)

Benton Fire District No. 4
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Notes to Financial Statements
December 31, 2024
(Continued)

of their DROP balance into another eligible qualified plan, (2) receive a lump-sum payment from the account, (3) receive single withdrawals at the discretion of the member, (4) receive monthly or annual withdrawals, or (5) receive an annuity based on the DROP account balance. These withdrawals are in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No withdrawals may be made from the DROP account until the participant retires.

Initial Benefit Option Plan

Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as the DROP account.

Cost of Living Adjustments (COLAs)

Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to R.S. 11:241, the board may also grant an increase based on a formula equal to up to \$1 times the total number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. If there are not sufficient funds to fund the benefit at the rate of one dollar per year for such total number of years, then the rate shall be reduced in proportion to the amount of funds that are available to fund the cost-of-living adjustment.

CONTRIBUTIONS

Contribution requirements for employers, non-employer contributing entities, and employees are established and may be amended in accordance with Title 11 and Title 22 of the Louisiana Revised Statutes.

Employer and Employee Contributions

According to State statute, employer contributions are actuarially-determined each year. For the year ended June 30, 2024, employer and employee contribution rates for members above the poverty line were 33.25% and 10.0%, respectively. The employer and employee contribution rates for those members below the poverty line were 35.25% and 8.0%, respectively. The District's contributions to the System for the years ended December 31, 2024, 2023, and 2022 were \$900,444, \$785,425, and \$733,432, respectively. Included in accrued expenses at December 31, 2024 are contributions for the month of December 2024 totaling \$100,295, paid in January 2025.

Non-employer contributions

According to state statute, the System receives insurance premium assessments from the state of Louisiana. The assessment is considered support from a non-employer contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions

(Continued)

Benton Fire District No. 4
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Notes to Financial Statements
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(Continued)

are recognized as revenue during the year ended June 30, 2024 and were excluded from pension expense. Non-employer contributions received by the System and attributable to the District during the year ended December 31, 2024 were \$274,988.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES
AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At December 31, 2024, the District reported a liability of \$4,965,595 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the historical employer contributions. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the system are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contribution to the System during the year ended June 30, 2024, as compared to the total of all combined contributions to the System for the fiscal year ended June 30, 2024. At June 30, 2024, the District's proportion was .8818990%, which was an increase of .0450070% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the District recognized pension expense of \$941,900, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, (\$1,008).

At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 372,803	\$ 118,093
Changes of assumptions	212,429	
Net difference between projected and actual earnings on pension plan investments	50,229	
Changes in proportion and differences between employer contributions and proportionate share of contributions	416,214	202,528
Employer contributions subsequent to the Measurement date	464,132	
Total	<u>\$ 1,515,807</u>	<u>\$ 320,621</u>

The District reported a total of \$464,132 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2024, which will be recognized as a reduction in net pension liability in the year ended December 31, 2025.

Benton Fire District No. 4
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Notes to Financial Statements
December 31, 2024
(Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>Year</u>	<u>Amount</u>
2025	\$ 42,559
2026	647,588
2027	(121,947)
2028	(25,112)
2029	116,677
2030	71,289
Total	<u>\$ 731,054</u>

ACTUARIAL METHODS AND ASSUMPTIONS

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

For each year, the actuary determines the reasonable range of the actuarial valuation interest rate, an expected long-term portfolio rate of return and standard deviation based upon the System's target asset allocation and a thirty-year time horizon. These rates were based on an analysis of the System's portfolio along with expected long-term rates of return, standard deviations of return, and correlations between asset classes collected from several investment consulting firms in addition to the System's investment consultant, NEPC. Using these values and assuming that future portfolio returns are normally distributed, ten thousand trials of returns over the upcoming thirty years was performed. The results of these trials were organized into percentiles and a reasonable range equal to the 40th through 60th percentiles was set. For the fiscal year ended June 30, 2024, the reasonable range was set at 6.73% through 7.91% and the Board of Trustees elected to set the System's assumed rate of return at 6.90% for Fiscal 2024.

The remaining actuarial assumptions utilized for this report are based on the results of an actuarial experience study completed September 24, 2020, for the period July 1, 2014 – June 30, 2019, unless otherwise specified in this report. Additional details are given in the actuary's complete 2020 Experience Report for the period July 1, 2014 – June 30, 2019 which can be obtained from the Firefighters' Retirement System website at www.ffret.com under the Finance tab, Actuarial Reports section.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024, are as follows:

Valuation Date	June 30, 2024
Actuarial Cost Method for Financial Reporting	Entry Age Normal Cost

Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

Estimated Remaining Service Life	7 years, closed period
Investment Rate of Return (discount rate)	6.90% per annum (net of investment expenses, including inflation)
Inflation Rate	2.50% per annum
Salary increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases.
Cost of Living Adjustments (COLAs)	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.

For the June 30, 2024 valuation, assumptions for mortality rates were based on the following:

- For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.
- For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.
- For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees.
- In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

The long-term expected real rate of return is an important input into the actuary's determination of the reasonable range for the discount rate which is used in determining the total pension liability. The actuary's method incorporates information from multiple consultants and investments firms regarding future expected rates of return, standard deviations, and correlation coefficients for each asset class. The process integrates data from multiple sources to produce average values thereby reducing reliance on a single data source.

The June 30, 2024, estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation as of January 2024 and the Curran Actuarial Consulting study for 2024. The consultant's average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from several investment consultants and investment management firms. Each consultant's response included nominal expected long-term rates of return. In order to arrive at long-term expected arithmetic real rates of return, the actuary normalized the data received from the consultant's responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long-term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long-term standard deviation and then reduced the assumption by the long-term inflation assumption. Using the target asset allocation for the System and the average

(Continued)

Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. The target asset allocation changed slightly from June 30, 2023 to June 30, 2024. These changes included a decrease to target weight in U.S. public equity, a decrease to emerging market equity, a decrease to U.S. Core fixed income, and an increase to multisector fixed income. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2024.

Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rates of Return</u>
Fixed income		
U.S. Core Fixed Income	22.00%	2.09%
U.S. TIPS	2.00%	2.00%
Emerging Market Debt	2.00%	4.05%
Global Multisector Fixed Income	4.00%	2.34%
Equity		
US Equity	28.50%	6.24%
Non-US Equity	11.00%	6.36%
Global Equity	10.00%	6.42%
Emerging Market Equity	4.50%	8.26%
Alternatives		
Real Assets	3.00%	5.93%
Real Estate	4.00%	4.85%
Private Equity/Private Debt	<u>9.00%</u>	9.77%
Totals	<u>100%</u>	

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates, and that contributions from participating employers and non-employer contributing entities will be made at the actuarially-determined rates approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the System's actuary. Based on these assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(Continued)

Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

SENSITIVITY TO CHANGES IN DISCOUNT RATE

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.90%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.90% or one percentage point higher 7.90% than the current rate as of June 30, 2024.

	<u>Changes in Discount Rate</u>		
	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net Pension Liability	\$ 8,243,928	\$ 4,965,595	\$ 2,231,149

CHANGE IN NET PENSION LIABILITY

The changes in the net pension liability for the year ended June 30, 2024 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience:

The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Differences between Projected and Actual Investment Earnings:

The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period.

Changes of Assumptions or Other Inputs:

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

Change in Proportion:

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

CONTRIBUTIONS - PROPORTIONATE SHARE

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

(Continued)

Benton Fire District No. 4
Benton, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

PLAN FIDUCIARY NET POSITION

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts. The Plan's fiduciary net position has been determined on the same basis as that used by the plan. Detailed information about the fiduciary net position is available in a stand-alone audit report on their financial statements for the year ended June 30, 2024. Access to these reports can be found on the Louisiana Legislative Auditor's website, www.la.gov.

RETIREMENT SYSTEM AUDIT REPORT

Firefighters' Retirement System issued a stand-alone audit report on its financial statements for the year ended June 30, 2024. Access to the audit report can be found on the System's website: www.lafirefightersret.com or on the Office of Louisiana Legislative Auditor's official website: www.la.gov.

(9) On-behalf Payments

Public safety employees of the District received a total of \$258,600 in supplemental pay from the State of Louisiana. The District recognizes this supplemental pay received by the employees as revenues and expenditures of the District.

(10) Subsequent Events

Subsequent events have been evaluated through June 27, 2025, the date the financial statements were available to be issued.

In May 2025, the District awarded a bid to refurbish a pumper truck totaling approximately \$444,824.

Benton Fire District No. 4
Benton, Louisiana
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Ad valorem taxes	\$ 5,280,000	\$ 5,033,006	\$ 5,033,105	\$ 99
Intergovernmental-fire insurance rebate	120,000	191,351	191,352	1
Fire recovery	8,500			
Interest income	2,700	27,065	184,641	157,576
Miscellaneous	100,000	173,257	35,108	(138,149)
Total revenues	5,511,200	5,424,679	5,444,206	19,527
Expenditures				
Current:				
General government	174,000	171,094	168,595	2,499
Public safety	4,841,200	4,716,655	4,772,736	(56,081)
Capital outlay	16,000	63,000	37,830	25,170
Total expenditures	5,031,200	4,950,749	4,979,161	(28,412)
Excess of revenues over expenditures	480,000	473,930	465,045	(8,885)
Other financing sources (uses):				
Operating transfers out			(495,000)	(495,000)
Total other financing sources (uses)			(495,000)	(495,000)
Excess of revenues and other financing sources over expenditures and other uses	480,000	473,930	(29,955)	(503,885)
Fund balances at beginning of year		27,250	692,746	665,496
Fund balances at end of year	\$ 480,000	\$ 501,180	\$ 662,791	\$ 161,611

See accompanying note to required supplementary information.

Benton Fire District No. 4
Benton, Louisiana
Notes to Required Supplementary Information
December 31, 2024

The District's budget is adopted on a cash basis for all funds, with the exception of certain payroll-related payables which are recorded by the District. There was one amendment to the 2024 budget. Budget comparison statements included in the accompanying financial statements include the original and adopted budgets. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	<u>General Fund</u>
Excess of revenues and other sources over expenditures and other uses (budget basis)	\$ (29,955)
Adjustments:	
Expenditure accruals – net	<u>62,534</u>
Excess of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ 32,579</u>

Benton Fire District No. 4
Benton, Louisiana
Schedule of Contributions
For the Year Ended December 31, 2024

State of Louisiana Firefighters' Retirement System

<u>Year Ended December 31</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Agency's Covered-employee payroll</u>	<u>Contributions as a percentage of covered-employee payroll</u>
2024	\$ 900,444	\$ 900,444	\$	\$ 2,708,101	33.25%
2023	785,425	785,425		2,362,179	33.25%
2022	733,432	733,432		2,184,766	33.57%
2021	658,598	658,598		1,995,188	33.01%
2020	608,360	608,360		2,031,852	29.94%
2019	581,506	581,506		2,141,928	27.15%
2018	525,604	525,604		1,983,410	26.50%
2017	508,543	508,543		1,965,193	25.88%
2016	488,053	488,053		1,864,448	26.18%
2015	401,040	401,040		1,415,350	28.34%

*Amounts presented were determined as of the end of the fiscal year (December 31).

Benton Fire District No. 4
Benton, Louisiana
Schedule of Proportionate Share of Net Pension Liability
For the Year Ended December 31, 2024

State of Louisiana Firefighters' Retirement System

Year Ended June 30	Agency's Proportion of the net pension liability	Agency's Proportionate share of the net pension liability	Agency's Covered-employee payroll	Agency's Proportionate share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.881899%	\$ 4,965,595	\$ 2,539,260	195.55%	81.68%
2023	0.836892%	5,462,232	2,246,590	243.13%	77.69%
2022	0.809449%	5,707,661	2,083,270	273.98%	74.68%
2021	0.787225%	2,789,809	1,974,587	141.29%	86.78%
2020	0.865212%	5,997,260	2,154,041	278.42%	72.61%
2019	0.837073%	5,241,676	2,006,051	261.29%	73.96%
2018	0.842080%	4,843,721	1,989,102	243.51%	74.76%
2017	0.847604%	4,858,338	1,979,039	245.49%	73.55%
2016	0.712830%	4,662,559	1,606,726	290.19%	68.16%
2015	0.616426%	3,326,920	1,310,022	253.96%	72.45%

*Amounts presented were determined as of the measurement date (June 30).

Benton Fire District No. 4
Benton, Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2024

Agency Head: J.T. Wallace, Fire Chief

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 141,320
State supplemental pay	7,200
Incentive pay	7,800
Benefits-insurance	10,398
Benefits-retirement	51,977

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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

Independent Auditors' Report

Board of Commissioners
Benton Fire District No. 4

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of Benton Fire District No. 4 as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Benton Fire District No. 4's basic financial statements, and have issued our report thereon dated June 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Benton Fire District No. 4's internal control over financial reporting (internal control) as a basis for designing 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 Benton Fire District No. 4's internal control. Accordingly, we do not express an opinion on the effectiveness of Benton Fire District No. 4'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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Benton Fire District No. 4'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is reported in the accompanying Summary Schedule of Audit Findings as item 2024-001.

Benton Fire District No. 4 Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on Benton Fire District No. 4's response to the finding identified in our audit and described in the accompanying Summary Schedule of Audit Findings. Benton Fire District No. 4'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.

Cook & Morehart
Certified Public Accountants
June 27, 2025

Benton Fire District No. 4
Benton, Louisiana
Summary Schedule of Audit Findings
December 31, 2024

Summary Schedule of Prior Year Audit Findings

There were no findings for the prior year audit for the year ended December 31, 2023.

Corrective Action Plan for Current Year Audit Findings

There was one finding for the current year audit for the year ended December 31, 2024.

2024-001 Finding - Budget

Condition: Actual expenditures and other financing uses for the General Fund were more than budgeted amounts by more than 5%.

Criteria: The Local Government Budget Act requires the annual budgets be amended when actual plus projected expenditures and other financing uses are more than budgeted amounts by more than 5%.

Cause: The District did not appropriately amend the budget for 2024 to include transfers for debt service payments.

Effect: The District was not in compliance with the Local Government Budget Act.

Recommendation: We recommend a proper monitoring of budget to actual comparisons throughout the year and that budgets be appropriately amended when actual plus projected expenditures and other financing uses are expected to be more than budgeted amounts by more than 5%.

Views of Responsible Officials and Planned Corrective Actions: The District will monitor its budgets in the future and amend as needed in order to comply with the Local Government Budget Act.

COOK & MOREHART

Certified Public Accountants

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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Commissioners
Benton Fire District No. 4
Benton, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. Benton Fire District No. 4's management is responsible for those C/C areas identified in the SAUPs.

Benton Fire District No. 4 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

2) *Board or Finance Committee*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

3) *Bank Reconciliations*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Procedures performed. Noted the following exception:

Exception: The employee responsible for collections is the same employee that prepares bank deposits and takes deposits to the bank.

Exception: The employee responsible for collections is the same employee who posts collection entries to the general ledger.

5) *Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

6) *Credit Cards/Debit Cards/Fuel Cards/P-Cards*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

7) *Travel and Travel-Related Expense Reimbursements (excluding card transactions)*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

8) *Contracts*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

9) *Payroll and Personnel*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

10) *Ethics*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

11) *Debt Service*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

12) *Fraud Notice*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

13) *Information Technology Disaster Recovery/Business Continuity*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024.

14) *Prevention of Sexual Harassment*

Testing not required for this area for the fiscal period January 1, 2024 through December 31, 2024, due to no exceptions being noted in prior year.

We were engaged by Benton Fire District No. 4, to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Benton Fire District No. 4, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document.

Cook & Morehart
Certified Public Accountants
June 27, 2025

BENTON FIRE



DISTRICT #4

FIRE CHIEF J.T. WALLACE, JR.

June 27, 2025

Cook & Morehart, CPAs
1215 Hawn Ave
Shreveport, LA 71107

Bossier Fire District No. 4 submits the following responses to the exceptions identified in the Statewide Agreed-Upon Procedures Report for the year ended December 31, 2024:

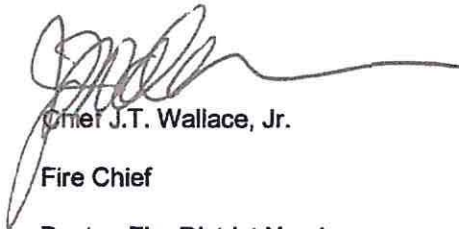
Exception: The employee responsible for collections is the same employee that prepares bank deposits and takes deposits to the bank.

Response: Due to few administrative staff, the same individual performs the duties of collecting funds, making deposits, and recording transactions in the general ledger. Funds received are via check. No currency is received. A separate individual reconciles the bank accounts. The District will explore the possibility of other administrative staff being utilized in performing some of these functions.

Exception: The employee responsible for collections is the same employee who posts collection entries to the general ledger.

Response: Due to few administrative staff, the same individual performs the duties of collecting funds, making deposits, and recording transactions in the general ledger. Funds received are via check. No currency is received. A separate individual reconciles the bank accounts. The District will explore the possibility of other administrative staff being utilized in performing some of these functions.

Sincerely,



Chief J.T. Wallace, Jr.

Fire Chief

Benton Fire District No. 4