

**ANNUAL FINANCIAL REPORT**  
**ST. TAMMANY PARISH**  
**FIRE PROTECTION DISTRICT NO. 4**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2024**



**ERICKSEN KRENTEL**<sup>LLP</sup>  
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

## **TABLE OF CONTENTS**

	<b><u>EXHIBIT</u></b>	<b><u>PAGE</u></b>
<b><u>INDEPENDENT AUDITORS' REPORT</u></b> .....		1 – 4
<b><u>REQUIRED SUPPLEMENTARY INFORMATION:</u></b>		
Management's Discussion and Analysis (Unaudited) .....		5 – 9
<b><u>BASIC FINANCIAL STATEMENTS:</u></b>		
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)</b>		
Statement of Net Position .....	A	10
Statement of Activities .....	B	11
<b>FUND FINANCIAL STATEMENTS (FFS)</b>		
Governmental Funds:		
Balance Sheet .....	C	12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	D	13
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	E	14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	F	15
<b>NOTES TO FINANCIAL STATEMENTS</b> .....		16 – 39
<b><u>REQUIRED SUPPLEMENTARY INFORMATION:</u></b>		
	<b><u>SCHEDULE</u></b>	
Budget Comparison Schedule .....	1	40
Schedule of Changes in Net OPEB Liability and Related Ratios .....	2	41
Schedule of Proportionate Share of the Net Pension Liability .....	3	42
Schedule of Contributions – Retirement Plan .....	4	43
<b>NOTES TO REQUIRED SUPPLEMENTARY INFORMATION</b> .....		44 – 45
<b><u>OTHER SUPPLEMENTARY INFORMATION:</u></b>		
	<b><u>SCHEDULE</u></b>	
Schedule of Compensation Paid to Board Members .....	5	46
Schedule of Compensation, Benefits and Other Payments to Agency Head .....	6	47

## **TABLE OF CONTENTS (CONTINUED)**

### **OTHER REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS:**

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> ...	48 – 49
Schedule of Findings and Responses .....	50
Summary Schedule of Prior Year Findings.....	51



## **INDEPENDENT AUDITORS' REPORT**

To the Board of Commissioners  
St. Tammany Parish Fire Protection District No. 4  
Mandeville, Louisiana

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Tammany Parish Fire Protection District No. 4 (District) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise of the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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.



St. Tammany Parish Fire Protection District No. 4

June 6, 2025

Page 2

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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





St. Tammany Parish Fire Protection District No. 4

June 6, 2025

Page 3

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, schedule of changes in net OPEB liability and related ratios, schedule of proportionate share of the net pension liability, schedule of contributions—retirement plan, and the related notes to the required supplementary information on pages 5 through 9 and 40 through 41 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 of the District's basic financial statements. The accompanying schedules of compensation paid to board members and compensation, benefits and other payments to agency head are presented to comply with the requirements issued by the State of Louisiana, and are not 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 schedules of compensation paid to board members and compensation, benefits and other payments to agency head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**ERICKSEN KRENTEL** LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

St. Tammany Parish Fire Protection District No. 4

June 6, 2025

Page 4

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2025 on our consideration of the St. Tammany Parish Fire Protection 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 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 St. Tammany Parish Fire Protection District No. 4's internal control over financial reporting and compliance.

June 6, 2025

Mandeville, Louisiana

*Erickson Krentel, LLP*

Certified Public Accountants

**REQUIRED SUPPLEMENTARY INFORMATION (Part 1)**



**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**MANDEVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

This section of St. Tammany Parish Fire Protection District No. 4's (The District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended December 31, 2024. This analysis should be read in conjunction with the audited financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The District's net position increased by \$6,956,062
- The District's general revenues were \$22,350,301 and program revenues were \$4,699,584.
- The total expenses of the District were \$20,093,823.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This report consists of two sections. Management's Discussion and Analysis and audited financial statements. The financial statements also include notes that provide additional detail of the information included in the financial statements.

**BASIC FINANCIAL STATEMENTS**

The financial statements of the District report information about the District using accounting methods similar to those used by private companies. These financial statements provide financial information about the activities of the District.

The Statement of Net Position presents information that includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

The Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities presents information on how the District's net position changed as a result of current period operations.

The following presents condensed financial information of the District.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**MANDEVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

**SUMMARY OF NET POSITION**  
**AS OF DECEMBER 31, 2024 AND 2023**

	<u>December 31.</u> <u>2024</u>	<u>December 31.</u> <u>2023</u>
Current assets	\$ 41,381,553	\$ 39,065,433
Capital assets, net of accumulated depreciation	13,346,044	9,701,125
Deposits	<u>987</u>	<u>987</u>
 Total assets	 <u>\$ 54,728,584</u>	 <u>\$ 48,767,545</u>
 Total deferred outflows of resources	 <u>\$ 4,285,535</u>	 <u>\$ 6,383,268</u>
 Current liabilities	 \$ 1,812,694	 \$ 1,670,326
Long-term liabilities	<u>23,985,408</u>	<u>26,872,200</u>
 Total liabilities	 <u>\$ 25,798,102</u>	 <u>\$ 28,542,526</u>
 Total deferred inflows of resources	 <u>\$ 2,476,476</u>	 <u>\$ 2,824,808</u>
 Net investment in capital assets	 \$ 4,928,337	 \$ 6,223,693
Unrestricted	21,265,301	16,207,091
Restricted for:		
Capital outlay	4,241,553	1,047,945
Debt service	<u>304,350</u>	<u>304,750</u>
 Total net position	 <u>\$ 30,739,541</u>	 <u>\$ 23,783,479</u>

Total assets increased by \$5,961,039 (12%) primarily due to fire station construction during the year, along with prepaid expenses for vehicles not yet received. Total liabilities decreased by \$2,744,424 (10%) primarily due to decreases in net pension liability.

Net position increased by \$6,956,062 (29%) as a result of operations.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**MANDEVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

**SUMMARY OF REVENUES, EXPENDITURES/EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
General revenues	\$ 22,350,301	\$ 19,839,660
Program revenues	<u>4,699,584</u>	<u>4,522,236</u>
Total revenue	27,049,885	24,361,896
Expenditures/expenses	<u>(20,093,823)</u>	<u>(20,855,014)</u>
Change in net position	<u>\$ 6,956,062</u>	<u>\$ 3,506,882</u>
Ending net position	<u>\$ 30,739,541</u>	<u>\$ 23,783,479</u>

Total revenues increased by \$2,687,989 (11%) primarily due to ad valorem increases in the Parish during 2024. Expenditures/expenses decreased by approximately \$761,191 (4%) primarily due to decreases in other operating expenditures.

**CAPITAL ASSETS**

Following is a schedule of capital assets, net of accumulated depreciation:

	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Land	\$ 1,795,896	\$ 1,305,064
Construction-in-progress	3,752,692	3,103,964
Buildings and improvements	7,907,968	5,572,675
Firefighting equipment	1,645,177	1,465,237
Medical equipment	981,208	671,521
Transportation vehicles	6,518,133	6,254,553
Furniture and fixtures	<u>72,393</u>	<u>56,573</u>
	22,673,467	18,429,587
Less: accumulated depreciation	<u>(9,327,423)</u>	<u>(9,327,423)</u>
Total capital assets, net of accumulated depreciation	<u>\$ 13,346,044</u>	<u>\$ 9,701,125</u>

During the current year ended December 31, 2024, the District's primary capital outlay was on two fire stations that are currently under construction. Depreciation expense was \$635,166 for the year ended December 31, 2024.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**MANDEVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

**LONG-TERM DEBT**

The District had \$4,055,000 in current and long-term general obligations as of December 31, 2024. The general obligation bond is secured by an ad valorem tax levy. The District retired \$165,000 in 2024.

**BUDGETARY HIGHLIGHTS**

The following table presents the variance between the final budget and the actual results for the fiscal year.

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Ad valorem taxes	\$ 17,101,474	\$ 19,478,165	\$ 2,376,691
State revenue sharing	248,760	302,865	54,105
Fire insurance rebate	377,310	377,310	-
Charges for services (EMS)	3,266,524	3,805,007	538,483
Training revenue	-	121,083	121,083
Interest income	1,050,810	1,140,686	89,876
Grant/disaster income	13,157	13,157	-
Other	714,858	712,383	(2,475)
	<u>\$ 22,772,893</u>	<u>\$ 25,950,656</u>	<u>\$ 3,177,763</u>
Total	<u>\$ 22,772,893</u>	<u>\$ 25,950,656</u>	<u>\$ 3,177,763</u>
Expenditures:			
Fire protection and EMS	\$ 23,515,148	\$ 19,512,999	\$ 4,002,149
Capital outlays	3,452,136	4,280,085	(827,949)
Debt service	310,000	305,380	4,620
	<u>\$ 27,277,284</u>	<u>\$ 24,098,464</u>	<u>\$ 3,178,820</u>
Total	<u>\$ 27,277,284</u>	<u>\$ 24,098,464</u>	<u>\$ 3,178,820</u>

**ECONOMIC FACTORS AND A LOOK AT NEXT YEAR**

The District's tax base has remained stable but with little overall economic growth. The District will have to address financial cuts and aggressively seek new revenue to maintain the high level of services our citizens currently expect. The District has begun to replace the aging fleet and buildings to offset some of the high maintenance costs associated with older property. The District recently took out debt to fund two new stations. Additionally, all aspects of personnel costs continue to rise, which places a further strain on the District's resources.

The District and its citizens currently enjoy a Class 1 fire rating which provides substantial reductions in property insurance. The District is committed to keeping insurance rates low for all its citizens and providing the highest level of Emergency Response and other services. The District is committed to fiscal responsibility and maintaining the trust from the citizens with their tax dollars.



**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**MANDEVILLE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024**

**CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and customers with an overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Fire Chief Kenneth Moore, St. Tammany Parish Fire Protection District No. 4, 709 Girod Street, Mandeville, Louisiana, 70448.

## **BASIC FINANCIAL STATEMENTS**

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2024**

**ASSETS:**

Cash and cash equivalents	\$ 14,045,938
Restricted cash	702
Receivables:	
Ad valorem taxes, net of allowance for uncollectible taxes of \$1,004,370	18,041,674
State revenue sharing	190,843
EMS receivable	2,593,166
Other receivables	160,671
Due from other governments	63,349
Prepaid expenses	6,285,210
Capital assets, net of accumulated depreciation	13,346,044
Utility deposits	987
	<hr/>
Total assets	54,728,584

**DEFERRED OUTFLOWS OF RESOURCES:**

Other post-employment benefits	1,229,159
Pensions	3,056,376
	<hr/>
Total deferred outflows of resources	4,285,535

**LIABILITIES:**

Accounts payable	584,025
Accrued payroll and related payables	407,555
Accrued interest	22,879
Sheriff's pension deduction payable	628,235
Compensated absences	671,969
Other post-employment benefits	5,208,347
Deferred revenue	-
Net pension liability	13,942,681
Debt:	
Long-term debt	3,885,000
Current portion of long-term debt	170,000
Unamortized premium	277,411
	<hr/>
Total liabilities	25,798,102

**DEFERRED INFLOWS OF RESOURCES:**

Other post-employment benefits	1,515,403
Pensions	961,073
	<hr/>
Total deferred inflows of resources	2,476,476

**NET POSITION:**

Net investment in capital assets	4,928,337
Unrestricted	21,265,301
Restricted for:	
Capital outlay	4,241,553
Debt service	304,350
	<hr/>
Total net position	\$ 30,739,541

**The accompanying notes are an integral part of this statement**

**ST. TAMMANY FIRE PROTECTION DISTRICT NO. 4**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

Function Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
<u>Governmental activities:</u>				
Fire protection and EMS	\$ 20,093,823	\$ 3,926,090	\$ 773,494	\$ (15,394,239)
 Total governmental activities	 <u>\$ 20,093,823</u>	 <u>\$ 3,926,090</u>	 <u>\$ 773,494</u>	 <u>\$ (15,394,239)</u>
General revenues:				
Property taxes				19,803,900
Fire insurance rebate				377,310
State revenue sharing				302,865
Investment earnings				1,140,686
Loan proceeds				-
Disaster reimbursement				13,157
Miscellaneous				<u>712,383</u>
Total general revenues				<u>22,350,301</u>
Change in net position				6,956,062
Net position - beginning				<u>23,783,479</u>
Net position - ending				<u>\$ 30,739,541</u>

**The accompanying notes are an integral part of this statement**



**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2024**

**ASSETS:**

Cash and cash equivalents	\$ 14,046,640
Receivables:	
Ad valorem taxes, net of allowance for uncollectible taxes of \$1,004,370	18,041,674
State revenue sharing	190,843
EMS receivable	2,593,166
Other receivables	93,678
Due from other governments	63,349
Prepaid expenses	6,285,210
Utility deposits	<u>67,980</u>
 Total assets	 <u><u>\$ 41,382,540</u></u>

**LIABILITIES:**

Accounts payable	\$ 584,025
Accrued payroll and related payables	407,555
Sheriff's pension deduction payable	<u>628,235</u>
 Total liabilities	 <u>1,619,815</u>

**DEFERRED INFLOWS OF RESOURCES:**

Unavailable revenue - property taxes	<u>2,564,310</u>
 Total deferred inflows of resources	 <u>2,564,310</u>

**FUND BALANCE:**

Nonspendable: prepaid expenses	6,285,210
Unassigned	30,008,855
Restricted for:	
Debt service	304,350
Committed to emergencies	<u>600,000</u>
 Total fund balance	 <u>37,198,415</u>

Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 41,382,540</u></u>
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**The accompanying notes are an integral part of this statement**

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2024**

Fund balance - total governmental funds	\$ 37,198,415
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 governmental funds.	13,346,044
Deferred outflows of resources related to OPEB and pensions are not reported in governmental funds	4,285,535
Deferred inflows of resources related to OPEB and pensions are not reported in governmental funds	(2,476,476)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. All liabilities (both current and long-term) are reported in the Statement of Net Position:	
Accrued annual leave	(671,969)
Accrued interest	(22,879)
Long-term debt, including original issue premiums	(4,332,411)
Other post-employment benefits	(5,208,347)
Pension liability	(13,942,681)
Certain property tax collections are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the governmental funds.	<u>2,564,310</u>
Net position of governmental activities	<u>\$ 30,739,541</u>

**The accompanying notes are an integral part of this statement**

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	General Fund
<b><u>GENERAL REVENUES:</u></b>	
Ad valorem taxes	\$ 19,478,165
Intergovernmental revenues:	
State revenue sharing	302,865
Fire insurance rebate	377,310
Federal and state grants	-
State supplemental pay	-
Charges for services (EMS)	3,708,873
Training revenue	121,083
Loan Proceeds	-
Investment earnings	1,140,686
Disaster reimbursement	13,157
Miscellaneous	<u>808,517</u>
Total general revenues	<u>25,950,656</u>
<b><u>EXPENDITURES:</u></b>	
Current for fire protection and EMS:	
Salaries and related expenditures	14,223,619
Insurance	1,673,468
Accounting and professional fees	837,148
Telephone and utilities	122,152
Repairs and maintenance	720,609
Dispatch	245,573
Uniforms and apparel	225,708
Deduction from ad valorem taxes for Sheriff's pension	628,235
Vehicle operations	400,909
Other operating expenses	<u>435,578</u>
Total current fire protection and EMS expenditures	19,512,999
Debt service:	
Principal	165,000
Interest	<u>140,380</u>
Total debt service	305,380
Capital outlays	<u>4,280,085</u>
Total expenditures	<u>24,098,464</u>
Net change in fund balance	1,852,192
<b><u>FUND BALANCE:</u></b>	
Beginning of year	<u>35,346,223</u>
End of year	<u><u>\$ 37,198,415</u></u>

**The accompanying notes are an integral part of this statement**

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

Net change in fund balance - governmental fund	\$	1,852,192
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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 lives and reported as depreciation expense. This is the amount by which capital asset additions of \$4,264,265 exceeded depreciation expense of \$635,166 in the current period.		3,644,919
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Repayments of note principal are reported as financing used in governmental funds and thus contribute to the reduction in fund balance. In the Statement of Net Position, however, repayment of debt decreases the long-term liabilities and does not affect the Statement of Activities.		165,000
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Under the modified accrual basis of accounting used in the governmental funds, advances of derived tax revenues is not recognized until received, rather than as it is earned. This is the amount by which prior year advances of deferred tax revenues recognized of \$2,238,575 were exceeded by current advances of deferred tax revenues recognized of \$2,564,310		325,735
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Interest accrued on the government-wide financial statements are not expensed until paid under the modified accrual basis used in the governmental funds.		825
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and are not reported as expenditures in governmental funds:

Accrued annual leave - The change in the amount by which current year accrued annual leave recognized of \$671,969 is less than the prior accrued annual leave recognized of \$768,988.		97,019
Amortization of bond issuance premiums		27,966
Pensions		105,586
Non-employer contributions for pensions		773,494
Other post-employment benefits		(36,674)

Change in net position	\$	6,956,062
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**The accompanying notes are an integral part of this statement**



**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The St. Tammany Fire Protection District No. 4 (the District) was created by the St. Tammany Parish Council as provided by Louisiana Revised Statute 40:1492. The District is responsible for fire protection and emergency medical services for the entire fourth ward of St. Tammany Parish. The administration of the District is governed by a board of commissioners consisting of five members. Two members are appointed by the parish governing authority and two by the governing body of the municipal corporation in the district. The fifth member is selected by the other four members and serves as chairman. Vacancies are filled by the governing bodies making the original appointments. Board members serve two-year terms with a per diem compensation of \$100 for regular and special board meetings and \$50 per committee meetings attended, limited to payment of two meetings of each type per month. The District operates four fire protection facilities and a training center. In addition to fire protection service, the District also provides fire prevention service to the public.

Fire protection districts are created for the purposes of acquiring, maintaining, and operating facilities, machinery, equipment, water tanks, water hydrants, water lines, and other resources necessary to provide proper fire protection and control of the property within the District.

GASB Statement No. 14, *The Financial Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a component unit of the St. Tammany Parish Council. As a component unit, the accompanying financial statements are included within the reporting of the primary government, either blended into those financial statements or separately reported as discrete component units.

**Basis of Presentation**

The District's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

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

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (continued)**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's fire protection activities and related general administrative services are classified as governmental activities. The District does not have any business-type activities.

**Basic Financial Statements - Government-Wide Financial Statements (GWFS)**

In the government-wide Statement of Net Position (Exhibit A), 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, as well as long-term debt and obligations. The District's net position is reported in two parts – net investment in capital assets and restricted for fire protection, debt service, and capital outlay.

The government-wide Statement of Activities (Exhibit B) reports both gross and net cost of the District's function. The function is supported by general government revenues (ad valorem tax). Any program revenues and operating grants received would reduce gross expenses in the Statement of Activities.

This government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from current year's activities.

**Basic Financial Statements – Fund Financial Statements (FFS)**

The financial transactions of the District are reported 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, deferred outflow of resources, liabilities, deferred inflow of resources, reserves, fund equity, revenues and expenditures. The District's current operations require the use of only the following fund type:

**Governmental Fund:**

The focus of the governmental fund's measurement (in the fund statement) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. In general, fund balance represents the accumulated expendable resources, which may be used to finance future operations of the District.

**General Fund.**

The General Fund is the principal fund of the District and is used to account for the operations of the District. General revenues are accounted for in this fund. General operating expenditures are paid from this fund.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**Accrual**

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

**Modified Accrual**

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the 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 general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

The District records are maintained on the cash basis of accounting. However, the General Fund reported in the accompanying financial statements has been converted to a modified accrual basis of accounting utilizing the following practices in recording revenues and expenditures.

**Revenues**

Property taxes, parcel fees, state revenue sharing, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual, subject to availability, and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Interest income on investments is recorded when the investments have matured and income is available.

All other revenues are recorded when received.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Louisiana revised statutes authorize the District to invest in (1) United States bonds, treasury notes or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal offices in the State of Louisiana, an investment as stipulated in LSA-R.S. 39:1271, or any other federally insured investments or (2) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. Government or its agencies.

Investments are reported at fair value when the difference between cost and market is considered material.

**Receivables and Payables**

All property tax receivables are shown net of a 5% allowance for uncollectibles. The allowance is based on prior years' experience.

Property taxes are levied on a calendar year basis, become due on December 31 and are considered delinquent on January 1. The District authorized and levied a 25.38 mill ad valorem tax for operations and maintenance for the year ended December 31, 2024.

The following are the principal taxpayers and related property tax revenue for the District:

	<u>Assessed Valuation</u>	<u>% of Total Assessed Value</u>
Florida Marine Transporters	\$ 24,666,250	3.17%
Central LA Elec Co.	16,359,570	2.10%
Mechanical Equipment Co Inc.	6,599,974	0.85%
Atmos Energy Corporation	6,276,090	0.81%
Tri States NGL Pipeline LLC	6,203,450	0.80%
Parkway Pipeline	4,522,870	0.58%
JP Morgan Chase Bank	4,028,276	0.52%
Premier Centre LLC	3,671,479	0.47%
Chenier Property Partners LLC	3,654,936	0.47%
Capital Once N A	<u>2,965,437</u>	<u>0.38%</u>
	<u>\$ 78,948,332</u>	<u>10.15%</u>



**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Emergency Medical Services (EMS) Receivable**

In 1994, the District started providing emergency medical transportation to the residents of the fourth ward of St. Tammany Parish. Residents who use the medical transportation service are charged a fee ranging from \$150 to \$1,246 plus upcharges for additional specialized services during transport, as needed. Mileage is billed at a rate of \$20 per mile per occurrence. The District has agreements with other third-party payers that provide for payments at amounts different from its established rates. For the year ended December 31, 2024, the District provided \$6,778,796 for adjustments to established rates billed. Net emergency medical service revenue is recorded at the estimated realizable amount from patients, third-party payers, and others for services rendered, based upon prior years' experience and management's analysis of possible bad debts. Emergency medical receivables are written off when it is determined by the District that payment will not be received. Generally accepted accounting principles require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital Assets**

Capital assets, which include property and equipment, are reported in government-wide statements. Capital assets are recorded at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings	40 Years
Building improvements	20 Years
Transportation equipment	5-15 Years
Medical/firefighting equipment	3-10 Years
Computers	3-5 Years
Furniture and fixtures	5 Years

**Deferred Outflows and Inflows of Resources**

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 future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has two items that qualify for reporting in this category, deferred amounts related to pensions and other post-employment benefits.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows and Inflows of Resources (Continued)**

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. Currently, the District has two items that qualify for reporting in this category, deferred amounts related to pensions and other post-employment benefits.

**Compensated Absences**

Each full-time employee is entitled to 18 days of annual vacation with full pay. This vacation period increases by one day for each year of service beyond 10 years, up to a maximum of 30 days, all with full pay. The maximum accumulation of annual leave balances is evaluated annually by the Board of Commissioners, which has the authority to adjust the total accumulated hours allowed each year. Employees do not forfeit vacation privileges unless permitted by law.

All 24-hour shift personnel are entitled to 216 hours of annual vacation time with full pay. This vacation time increases by 12 hours for each year of service beyond 10 years, up to a maximum of 450 hours, all with full pay.

In accordance with GASB Statement No. 101, Compensated Absences, liabilities for compensated absences are recognized for leave that has not been used if it is attributable to services already rendered, has accumulated, and is more likely than not to be used for time off, paid in cash, or settled through noncash means. The liability for compensated absences is recorded in the Statement of Net Position. As of December 31, 2024, the liability for compensated absences was \$671,969, compared to \$768,988 in the prior year. The cost of leave taken during the year is recognized as an expenditure in the general fund when the leave is used.

**Other Post-Employment Benefits**

The District provides certain health care benefits for retired employees. The District recognizes the costs associated with providing these benefits monthly. In the government-wide financial statements, other post-employment benefits are reported as liabilities in the applicable governmental activities statement of net position.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, the face amount of 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.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Long-term Obligations (Continued)**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Louisiana Firefighters' Retirement System and additions to/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by the system. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Equity Classifications**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

Governmental fund equity is classified as fund balance. In the governmental fund financial statements, fund balances are classified as follows:

- a. Nonspendable - amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted - amounts that can be spent only for specific purposes because of state, local or federal awards or externally imposed conditions by grantors or creditors.
- c. Committed - amounts that can be used for specific purposes determined by formal action by an ordinance or resolution.
- d. Assigned - amounts that are designated by the formal action of the government's highest level of decision-making authority.
- e. Unassigned - amounts not included in other classifications.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity Classifications (Continued)**

The Board of Commissioners, as the highest level of decision-making authority, can establish, modify or rescind a fund balance commitment by formal vote at a public board meeting. For assigned fund balance the Board of Commissioners authorizes management to assign amounts for a specific purpose.

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

**Adoption of New Accounting Pronouncement**

For the year ended December 31, 2024, the District has adopted GASB Statement No. 101, *Compensated Absences* (Statement 101), which replaces GASB Statement No. 16. It requires liabilities for compensated absences to be recognized for leave that has not been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if the leave is attributable to services already rendered, has accumulated, and is more likely than not to be used for time off or paid in cash or settled through noncash means. The Statement also addresses the timing of the recognition of a liability for other types of compensated absences. The adoption of this standard did not have a material impact on the District's statements.

**Use of Estimates**

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

**Date of Management's Review**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 6, 2025. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements

**(2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The District published the proposed budget for the General Fund in the St. Tammany Farmer on November 29, 2023. A public hearing was held on December 12, 2023 and the board adopted the budget. The budget is prepared using GAAP basis of accounting. All appropriations lapse at year end. Formal budget integration within the accounting records is employed as a management control device during the year. The board also reviews budget versus actual reports on a monthly basis. Changes or amendments are made upon approval of the board.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(3) CASH AND CASH EQUIVALENTS**

At December 31, 2024, the District has cash and cash equivalents (book balances) totaling \$14,046,640 as follows:

Operating accounts	\$ 1,822,833
2019 series bond account (restricted)	3,125,304
Budget planning accounts	6,192,265
Investment account	23,624
Certificate of deposits	6,007,111
Petty cash	<u>105</u>
	<u>\$ 14,046,640</u>

**(3) CASH AND CASH EQUIVALENTS (CONTINUED)**

These deposits are stated at cost, which approximates market. The District does not have a policy for custodial credit risk; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the District or its agent, in the District's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department, or its agent in the District's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the District's name, and deposits which are uninsured or uncollateralized.

At December 31, 2024, the carrying amount and the bank balances of deposits of the primary government are summarized as follows:

	<u>Bank Balances Category</u>			<u>Bank</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>Balance</u>
Cash	<u>\$ 15,388,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,388,512</u>

Funds held in the District's name by the paying agent under the bond agreement discussed in note 6 are held in permitted investments as defined by Louisiana R.S. 33:2955 and are not required to be collateralized. These accounts totaled \$3,125,304 at December 31, 2024 and are considered cash equivalents by the District.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(4) RECEIVABLES**

The receivables of \$21,049,703 at December 31, 2024 are as follows.

<u>Class of Receivable</u>	<u>Amount</u>
Taxes – ad valorem, net	\$ 18,041,674
State revenue sharing	190,843
EMS receivable, net	2,593,166
FEMA grant receivable	63,349
Other	<u>160,671</u>
	<u>\$ 21,049,703</u>

**(5) CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended December 31, 2024 is as follows:

	<u>01/01/2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/2024</u>
<b><u>Governmental Activities:</u></b>				
<b><u>Capital assets not being depreciated:</u></b>				
Land	\$ 1,305,064	\$ 490,832	\$ -	\$ 1,795,896
Construction in progress	<u>3,103,964</u>	<u>3,453,484</u>	<u>(2,804,756)</u>	<u>3,752,692</u>
Total capital assets not being depreciated	<u>4,409,028</u>	<u>3,944,316</u>	<u>(2,804,756)</u>	<u>5,548,588</u>
<b><u>Capital assets being depreciated:</u></b>				
Buildings and improvements	5,572,675	2,335,293	-	7,907,968
Firefighting equipment	1,465,237	190,170	(10,230)	1,645,177
Medical equipment	671,521	309,687	-	981,208
Transportation vehicles	6,254,553	289,555	(25,975)	6,518,133
Furniture and fixtures	<u>56,573</u>	<u>15,820</u>	<u>-</u>	<u>72,393</u>
Total capital assets being depreciated	<u>14,020,559</u>	<u>3,140,525</u>	<u>(36,205)</u>	<u>17,124,879</u>
<b><u>Less accumulated depreciation for:</u></b>				
Buildings and improvements	2,336,720	159,714	-	2,496,434
Firefighting equipment	1,285,300	62,561	(10,230)	1,337,631
Medical equipment	568,967	50,497	-	619,464
Transportation vehicles	4,480,902	361,867	(25,975)	4,816,794
Furniture and fixtures	<u>56,573</u>	<u>527</u>	<u>-</u>	<u>57,100</u>
Total accumulated depreciation	<u>8,728,462</u>	<u>635,166</u>	<u>(36,205)</u>	<u>9,327,423</u>

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(5) CAPITAL ASSETS (CONTINUED)**

Total capital assets being depreciated, net	<u>5,292,097</u>	<u>2,505,359</u>	<u>-</u>	<u>7,797,456</u>
Governmental activities capital assets, net	<u>\$ 9,701,125</u>	<u>\$ 6,449,675</u>	<u>\$(2,804,756)</u>	<u>\$13,346,044</u>

Depreciation expense of \$635,166 for the year ended December 31, 2024, was charged to fire protection and EMS.

**(6) LONG-TERM DEBT**

	<u>Balance at</u> <u>01/01/2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at</u> <u>12/31/2024</u>	<u>Due Within</u> <u>One Year</u>
\$4,755,000 - 2019 Series					
Bond interest rate at 3.00%, maturing on March 1, 2042, secured by ad valorem.	\$ 4,220,000	\$ -	\$ 165,000	\$ 4,055,000	\$ 170,000
Issuance premiums	<u>305,377</u>	<u>-</u>	<u>27,966</u>	<u>277,411</u>	<u>27,961</u>
	<u>\$ 4,525,377</u>	<u>\$ -</u>	<u>\$ 192,966</u>	<u>\$ 4,332,411</u>	<u>\$ 197,961</u>

**Series 2019**

In September of 2019, the St. Tammany Fire Protection District No. 4 issued \$4,755,000 of Revenue Bonds, Series 2019 to be used for the purposes of constructing a new fire station.

The Series 2019 Bonds carried a purchase price of \$5,133,042, representing the par amount of \$4,755,000, plus a net original issue premium of \$425,592, less an Underwriter's Discount of \$47,550.

The Bonds maturing March 1, 2028 and thereafter, shall be callable for redemption at the option of the District in full at any time on or after March 1, 2027, or in part by lot in such manner as the Paying Agent in its discretion may determine, at the principal amount thereof, plus accrued interest from the most recent Interest Payment Date to which interest has been paid or duly provided.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(6) LONG-TERM DEBT (CONTINUED)**

The Bonds maturing March 1, 2036, are subject to mandatory sinking fund redemption through Sinking Fund Payments at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, without premium, in the amounts set forth below:

Sinking Fund Payment Date	
<u>(March 1)</u>	<u>Principal Amount</u>
2035	\$ 230,000
2036	240,000

The Bonds maturing March 1, 2038, are subject to mandatory sinking fund redemption through Sinking Fund Payments at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, without premium, in the amounts set forth below:

Sinking Fund Payment Date	
<u>(March 1)</u>	<u>Principal Amount</u>
2037	\$ 245,000
2038	255,000

**Series 2019 (continued)**

The Bonds maturing March 1, 2040, are subject to mandatory sinking fund redemption through Sinking Fund Payments at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, without premium, in the amounts set forth below:

Sinking Fund Payment Date	
<u>(March 1)</u>	<u>Principal Amount</u>
2039	\$ 265,000
2040	275,000

The Bonds maturing March 1, 2042, are subject to mandatory sinking fund redemption through Sinking Fund Payments at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, without premium, in the amounts set forth below:

Sinking Fund Payment Date	
<u>(March 1)</u>	<u>Principal Amount</u>
2041	\$ 285,000
2042	295,000

The District will make annual principal payments commencing on March 1, 2020 and ending on March 1, 2042. Interest payments are due semi-annually on March 1<sup>st</sup> and September 1<sup>st</sup>.



**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(6) LONG-TERM DEBT (CONTINUED)**

As December 31, 2024, the District was in compliance with all debt covenants.

Interest costs incurred and charged to expense for the year ended December 31, 2024 was \$111,589.

The annual requirements to maturity for the bond as of December 31, 2024 for the following five years and thereafter is as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 170,000	\$ 134,725
2026	175,000	128,675
2027	180,000	121,575
2028	190,000	115,125
2029-2033	1,025,000	486,000
2034-2038	1,195,000	314,263
2039-2042	<u>1,120,000</u>	<u>85,875</u>
	<u>\$ 4,055,000</u>	<u>\$ 1,386,238</u>

**(7) OPERATING LEASES**

The District leases copier and radio equipment for a period of less than 12 months. Total payments charged to leased equipment expense for the year ended December 31, 2024 was \$55,250.

**(8) COMPENSATED ABSENCES**

A summary of compensated absences is as follows:

	<u>Balance at January 1, 2024</u>	<u>Net Increase (Decrease)</u>	<u>Balance at December 31, 2024</u>
Compensated absences	<u>\$ 768,988</u>	<u>\$ (97,091)</u>	<u>\$ 671,969</u>

**(9) SUPPLEMENTAL SALARIES**

During the year ended December 31, 2024, eligible full time employees did not receive additional pay from the State of Louisiana. These intergovernmental funds are reflected in the Statement of Revenues, Expenditures, and Changes in Fund Balance – governmental fund in salaries and related benefits.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(10) PENSION PLAN**

**Louisiana Firefighters' Retirement System**

**Plan Description**

Substantially all full-time employees of the District are members of the Louisiana Firefighters' Retirement System (the System), a cost-sharing, multiple-employer defined benefit public retirement system, which is controlled and administered by a separate Board of Trustees.

The Firefighters' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the System is a condition of employment, for any full-time firefighters who earn at least \$375 per month and are employed by any municipality, parish, or fire protection district of the State of Louisiana in addition to employees of the Firefighters' Retirement System; however, employees may opt out of participation. The System provides retirement benefits for their members. The projections of benefit payments in the calculation of the total pension liability include all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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.

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.

No person who has attained age fifty 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 fifty. No person who has not attained the age of eighteen years shall become a member of the System.

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.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(10) PENSION PLAN (CONTINUED)**

**Louisiana Firefighters' Retirement System (continued)**

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 an unreduced benefit or any of seven options at retirement.

The System also provides death and disability benefits. Benefits are established by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Louisiana Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling, (225) 925-4060.

**Funding Policy**

For the twelve months ended December 31, 2024, members of the System are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. At December 31, 2024, the employer contribution rate was 33.25% above poverty and 35.25% below poverty. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided by Louisiana Revised Statute 11.103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

**Contributions**

According to state statute, for the System, contribution requirements for all employees are actuarially determined each year. State statute requires covered employees to contribute a percentage of their salaries to the System. For the year ending December 31, 2024, the actual employer contribution rate and the actuarially determined employer contribution rate is listed below. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the year effective.

The amount of the District's employer contributions to the System for the year ended December 31, 2024 was \$2,387,878. The District's covered payroll for the System for the year ended December 31, 2024 was \$7,181,588.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(10) PENSION PLAN (CONTINUED)**

**Louisiana Firefighters' Retirement System (continued)**

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the District reported a liability totaling \$13,942,681 for its proportionate share of the net pension liability for the System. 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 a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the District's proportion was 2.476245% for the System, which was an increase of .014244% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the District recognized pension expense for the System totaling \$2,196,330. Deducted from pension expense is the employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions totaling \$307,061 for the System.

For the year ended December 31, 2024, the District recognized revenue from ad valorem taxes and revenue sharing funds received by the System. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities totaling \$772,128.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,065,887	\$ 331,589
Change in assumptions	596,470	-
Net difference between projected and actual earnings on pension plan investments	141,034	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	65,088	629,484
Employer contributions subsequent to the measurement date	<u>1,187,897</u>	<u>-</u>
Total	<u>\$ 3,056,376</u>	<u>\$ 961,073</u>

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(10) PENSION PLAN (CONTINUED)**

**Louisiana Firefighters' Retirement System (continued)**

Employer contributions subsequent to the measurement date totaling \$1,187,897 and reported as deferred outflows of resources will be recognized as a reduction of the Net Pension Liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31.

2025	\$ (133,787)
2026	1,566,394
2027	(485,570)
2028	(323,336)
2029	150,935
2030	<u>113,659</u>
Total	<u>\$ 888,296</u>

**Actuarial Assumptions**

The total pension liability in the June 30, 2024 actuarial valuation for the System was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost
Estimated Remaining Service Life	7 years, closed period
Investment Rate of Return	6.90% per annum (net of investment expenses)
Inflation Rate	2.50% per annum
Salary increases	Vary from 14.10% in the first two years of service to 5.20% with 3 or more years of service
Cost of Living Adjustments	Only those previously granted included

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(10) PENSION PLAN (CONTINUED)**

**Louisiana Firefighters' Retirement System (continued)**

**Mortality Rate**

The mortality rate assumptions were updated in fiscal year 2024 to reflect changes from the recent experience study and rates set in the Pub-2010 Public Retirement Plans mortality tables, as compared to the RP-2000 Combined Healthy and Disabled Lives tables that were used for the previous valuation. 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.

**Long-term Expected Real Rate of Return**

The estimated long term expected rate of return on pension plan investments was determined using a building block method in which best estimates range of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The long term expected nominal rate of return was 6.90% as of June 30, 2024. Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2024 are summarized in the following table:

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(10) PENSION PLAN (CONTINUED)**

**Louisiana Firefighters' Retirement System (continued)**

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
U.S. core fixed income	22%	2.09%
U.S. tips	2%	2.00%
Emerging market debt	2%	4.05%
Multisector fixed income	4%	2.34%
U.S. equity	29%	6.24%
Non-U.S. equity	11%	6.36%
Global equity	10%	6.42%
Emerging market equity	5%	8.26%
Real estate	4%	4.85%
Real assets	3%	5.93%
Private equity	9%	9.77%
Totals	<u>100%</u>	
Inflation		2.50%
Expected arithmetic nominal return		6.90%

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those 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.

**Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the Net Pension Liability using the discount rate of 6.90%, as well as what the Authority's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease <u>5.90%</u>	Current Discount Rate <u>6.90%</u>	1% Increase <u>7.90%</u>
District's proportionate share of the Net Pension Liability	\$ 23,147,770	\$ 13,942,681	\$ 6,264,746

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(10) PENSION PLAN (CONTINUED)**

**Louisiana Firefighters' Retirement System (continued)**

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](http://www.lafirefightersret.com) or on the Office of Louisiana Legislative Auditor's official website: [www.lla.state.la.us](http://www.lla.state.la.us).

**(11) DEFERRED COMPENSATION PLAN**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

The District also participates in the Social Security Program; therefore individual employees can elect to opt out of the State of Louisiana Fire Fighters Retirement System. The Louisiana Fire Fighters Retirement System must approve all requests to opt out of the state program. By opting out of the Louisiana Fire Fighters Retirement System, an employee is allowed to participate in a deferred compensation plan, which means the employee bears the responsibility and associated risks of their retirement assets.

Any employee that participates in a deferred compensation plan such as the Louisiana Public Employee Deferred Compensation Plan clearly understands the employee is responsible for their investment risks. The employee participating in a defined compensation plan such as the Louisiana Public Employee Deferred Compensation Plan acknowledges it is their sole responsibility to manage their investments and associated risks of their retirement assets. The employee also acknowledges there is no responsibility or liability on behalf of St. Tammany Parish Fire Protection District No. 4 for any losses or reduction in value of the employee's investment or contribution or the District contributions.

The District will limit the employer's contributions to only one the following plans for an employee: Louisiana Fire Fighters Retirement System, Louisiana Parochial Employees Retirement System or Louisiana Public Employee Deferred Compensation Plan.

The District will contribute an equal or matching percentage of a full-time employee's contributions to the Louisiana Public Employee Deferred Compensation Plan up to a maximum of ten (10%) of the employee's scheduled wages. The total annual contribution to the defined contribution plan must not exceed the totals allowable by law in the given year. Only full-time employees are eligible for any matching contribution. The District's contributions to deferred compensation plans for the years ended December 31, 2024 and 2023, were \$103,632 and \$130,371 respectively, equal to the required contributions for the year.



**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(12) OTHER POST-EMPLOYMENT BENEFITS**

**Plan Description**

The St. Tammany Parish Fire District #4 (the Fire District) provides certain continuing health care and life insurance benefits for its retired employees. The St. Tammany Parish Fire District #4's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the Fire District. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Fire District. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

**Benefits Provided**

Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The employees are covered by a retirement system whose retirement eligibility requirements are age 55 and 12 years of service, age 50 and 20 years of service or completion of 25 years of service at any age. See the section below regarding time of commencement of benefits for the assumption used.

**Employees Covered by Benefit Terms**

At December 31, 2024, the following employees were covered by the benefit terms.

Inactive employees or beneficiaries currently receiving benefit payments	31
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>107</u>
	<u>138</u>

The Fire District's total OPEB liability of \$5,208,347 was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and other inputs**

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, annually
Discount Rate	3.26% annually (Beginning of Year to Determine ADC)
	4.08%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually for ten years, 4.5% thereafter

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of December 31, 2024, the end of the applicable measurement period.

Mortality rates were based on the SOA RP-2000 Table without projection.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(12) OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2009 to December 31, 2024.

**Changes in the Total OPEB Liability**

Balance at December 31, 2023	\$ 5,613,051
Changes for the year:	
Service cost	121,459
Interest	179,641
Differences between expected and actual experience	7,236
Changes in assumptions	(507,871)
Benefit payments and net transfers	<u>(205,169)</u>
Net changes	<u>(404,704)</u>
Balance at December 31, 2024	<u>\$ 5,208,347</u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the Fire District, as well as what the Fire District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
	<u>3.08%</u>	<u>Discount Rate</u>	<u>5.08%</u>
	<u>4.08%</u>		
Total OPEB Liability	\$ 6,294,595	\$ 5,208,347	\$ 4,369,927

**Sensitivity of the Total OPEB Liability to Healthcare Cost Trend Rates**

The following presents the total OPEB liability of the Fire District, as well as what the Fire District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
	<u>Trend Rate</u>	<u>Trend Rate</u>	<u>Trend Rate</u>
Total OPEB Liability	\$ 4,475,391	\$ 5,208,347	\$ 6,166,555

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
DECEMBER 31, 2024

**(12) OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2024, the Fire District recognized OPEB expense of \$241,843. At December 31, 2024, the Fire District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumptions	\$ 823,748	\$ (1,262,908)
Differences between expected and actual experience	<u>405,411</u>	<u>(252,495)</u>
Total	<u>\$ 1,229,159</u>	<u>\$ (1,515,403)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30:	
2025	(59,257)
2026	(59,257)
2027	(91,130)
2028	(146,782)
2029	53,620
Thereafter	<u>16,576</u>
Total	<u>\$ (286,230)</u>

**(13) RISKS AND UNCERTAINTIES**

The District is exposed to all common perils associated with fire protection and EMS services. To minimize loss occurrence and transfer risk, the District carries various commercial insurance policies including property, casualty, employee dishonesty, public official's liability, business auto and other miscellaneous policies. These policies are reviewed for adequacy by management annually.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2024**

**(14) NEW ACCOUNTING PRONOUNCEMENTS**

The GASB has released Statement No. 102, Certain Risk Disclosures. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024. The District plans to adopt this Statement as applicable by the effective date.

The GASB has released Statement No. 103, Financial Reporting Model Improvements (Statement 103). This Statement improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this statement are effective for periods beginning after June 15, 2025. The District plans to adopt this Statement as applicable by the effective date.

The GASB has released Statement No. 104, Disclosure of Certain Capital Assets (Statement 104). The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. This Statement is effective for periods beginning after June 15, 2025. The District plans to adopt this Statement as applicable by the effective date.

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budget	Revised Budget	Actual	Variance- Favorable (Unfavorable)
<b>GENERAL REVENUES:</b>				
Ad valorem taxes	\$ 16,985,000	\$ 17,101,474	\$ 19,478,165	\$ 2,376,691
Intergovernmental revenues:				
State revenue sharing	245,000	248,760	302,865	54,105
Fire insurance rebate	364,000	377,310	377,310	-
Charges for services (EMS)	1,750,000	3,266,524	3,708,873	442,349
Training revenue	-	-	121,083	121,083
Interest income	1,000,000	1,050,810	1,140,686	89,876
Grant/disaster income	145,000	13,157	13,157	-
Miscellaneous	1,200,000	714,858	808,517	93,659
<b>Total general revenues</b>	<b>21,689,000</b>	<b>22,772,893</b>	<b>25,950,656</b>	<b>3,177,763</b>
<b>EXPENDITURES:</b>				
Current for fire protection and EMS:				
Personnel	15,800,000	15,651,533	14,223,619	1,427,914
Services	1,200,000	997,544	837,148	160,396
Rent/lease expenses	60,000	54,421	-	54,421
Utilities	165,000	119,497	122,152	(2,655)
Repairs and maintenance	600,000	777,287	720,609	56,678
Supplies	400,000	3,511,338	225,708	3,285,630
Other operating expenses	3,000,000	2,403,528	3,383,763	(980,235)
<b>Total current fire protection and EMS expenditures</b>	<b>21,225,000</b>	<b>23,515,148</b>	<b>19,512,999</b>	<b>4,002,149</b>
Debt service	310,000	310,000	305,380	4,620
Capital outlays	3,500,000	3,452,136	4,280,085	(827,949)
<b>Total expenditures</b>	<b>25,035,000</b>	<b>27,277,284</b>	<b>24,098,464</b>	<b>3,178,820</b>
Excess of revenues over expenditures	(3,346,000)	(4,504,391)	1,852,192	6,356,583
<b>FUND BALANCE:</b>				
Beginning of year	35,346,223	35,346,223	35,346,223	-
End of year	<u>\$ 32,000,223</u>	<u>\$ 30,841,832</u>	<u>\$ 37,198,415</u>	<u>\$ 6,356,583</u>

(See Independent Auditors' Report)

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:							
Service cost	\$ 121,459	\$ 108,445	\$ 142,100	\$ 155,818	\$ 129,560	\$ 105,874	\$ 120,718
Interest	179,641	183,405	128,420	121,663	147,957	171,310	153,159
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	7,236	179,955	(292,517)	340,904	(221,481)	231,430	(41,360)
Changes of assumptions	(507,871)	293,538	(1,110,297)	48,654	444,588	865,811	(362,129)
Benefit payments	(205,169)	(165,074)	(177,804)	(166,006)	(157,352)	(148,268)	(140,538)
Net change in total OPEB liability	(404,704)	600,269	(1,310,098)	501,033	343,272	1,226,157	(270,150)
Total OPEB liability - beginning	<u>5,613,051</u>	<u>5,012,782</u>	<u>6,322,880</u>	<u>5,821,847</u>	<u>5,478,575</u>	<u>4,252,418</u>	<u>4,522,568</u>
Total OPEB liability - ending	<u>\$ 5,208,347</u>	<u>\$ 5,613,051</u>	<u>\$ 5,012,782</u>	<u>\$ 6,322,880</u>	<u>\$ 5,821,847</u>	<u>\$ 5,478,575</u>	<u>\$ 4,252,418</u>
Covered-employee payroll	\$ 6,926,553	\$ 7,003,111	\$ 6,733,760	\$ 6,927,541	\$ 6,661,097	\$ 7,927,805	\$ 7,622,889
Total OPEB liability as a percentage of covered employee payroll	75.19%	80.15%	74.44%	91.27%	87.40%	69.11%	55.78%

*Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2024\***

	<u>12/30/2024</u>	<u>12/30/2023</u>	<u>12/30/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>
<b><u>Louisiana Firefighters' Retirement System</u></b>									
District's Proportion of the Net Pension Liability	2.136218%	2.462001%	2.506618%	2.545806%	2.634684%	2.687857%	2.702906%	2.859543%	2.877815%
District's Proportionate Share of the Net Pension Liability	\$ 13,942,681	\$ 16,069,004	\$ 17,674,896	\$ 9,021,960	\$ 18,262,442	\$ 16,831,121	\$ 15,547,326	\$ 16,390,469	\$ 18,823,508
District's Covered-Employee Payroll	\$ 7,061,075	\$ 6,609,082	\$ 6,452,138	\$ 6,391,003	\$ 6,054,456	\$ 6,496,888	\$ 6,430,065	\$ 6,928,839	\$ 6,574,323
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	197.46%	243.14%	273.94%	141.17%	301.64%	259.06%	241.79%	236.55%	286.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.68%	77.69%	74.68%	86.78%	72.61%	73.96%	74.76%	73.55%	68.16%

*Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

*\*The amounts presented for each year were determined as of the plan's fiscal year-end that occurred within the calendar year.*

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**SCHEDULE OF CONTRIBUTIONS - RETIREMENT PLAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>
<b><u>Louisiana Firefighters' Retirement System</u></b>									
Contractually Required Contribution	\$ 2,387,878	\$ 2,281,959	\$ 2,184,721	\$ 2,064,225	\$ 1,825,062	\$ 1,725,759	\$ 1,709,422	\$ 1,679,423	\$ 1,696,055
Contributions in Relation to the Contractually Required Contribution	<u>(2,387,878)</u>	<u>(2,281,959)</u>	<u>(2,184,721)</u>	<u>(2,064,225)</u>	<u>(1,825,062)</u>	<u>(1,725,759)</u>	<u>(1,703,422)</u>	<u>(1,679,423)</u>	<u>(1,696,055)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered-employee payroll	\$ 7,181,588	\$ 6,863,035	\$ 6,507,294	\$ 6,372,089	\$ 6,473,100	\$ 6,508,731	\$ 6,486,856	\$ 6,492,182	\$ 6,596,541
Contributions as a Percentage of Covered-Employee Payroll	33.25%	33.25%	33.57%	32.39%	28.19%	26.51%	26.26%	25.87%	25.71%

*Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*



## **REQUIRED SUPPLEMENTARY INFORMATION**

**ST.TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2024**

**(1) OTHER POST-EMPLOYMENT BENEFITS SCHEDULE**

**Changes of Benefit Terms**

There were no changes of benefit terms during any of the years presented.

**Changes of Assumptions**

For the year ended December 31, 2024, the District changed its assumptions related to the discount rate. The changes had a cumulative effect of \$(507.871).

For the year ended December 31, 2023, the District changed its assumptions related to trends, mortality and discount rates. These changes had a cumulative effect of \$293.538

**(2) PENSION PLAN SCHEDULES**

**Changes of Benefit Terms**

There were no changes of benefit terms during any of the years presented.

**Changes of Assumptions**

For the years ended December 31, 2024, 2023, and 2022, there were no changes of assumptions for the Firefighter's Retirement System.

For the year ended December 31, 2021 (measurement date of June 30, 2021), the Firefighter's Retirement System real rate of return was lowered from 7.00% to 6.90%.

For the year ended December 31, 2020 (measurement date of June 30, 2020), the Firefighter's Retirement System inflation rate assumption increased to 2.70% annually, and the real investment rate of return was lowered from 7.30% to 7.00%.

For the year ended December 31, 2019 (measurement date of June 30, 2019), the Firefighter's Retirement System inflation rate assumption was lowered from 2.700% to 2.50% annually, and the real investment rate of return was lowered from 7.30% to 7.15%.

For the year ended December 31, 2019 (measurement date of June 30, 2019), the Firefighter's Retirement System inflation rate assumption was lowered from 2.775% to 2.700% annually, and the real investment rate of return was lowered from 7.40% to 7.30%.

For the year ended December 31, 2018 (measurement date of June 30, 2018), the Firefighter's Retirement System inflation rate assumption was lowered from 2.875% to 2.700% annually, and the salary increase range assumption was lowered from 4.75% - 15.0% to 4.75% - 15.0%.

**ST.TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)**  
**DECEMBER 31, 2024**

**(2) PENSION PLAN SCHEDULES (CONTINUED)**

**Changes of Assumptions (continued)**

There were no changes of assumptions during the years ended December 31, 2022, 2021, 2020, and 2019 for the Parochial Employees' Retirement System of Louisiana.

For the year ended December 31, 2018 (measurement date of June 30, 2018), the Firefighter's Retirement System inflation rate assumption was lowered from 2.700% to 2.500% annually, and the salary increase range assumption was lowered from 4.75% - 15.0% to 4.50% - 14.75%.

For the year ended December 31, 2017 (measurement date of December 31, 2016), the Parochial Employees' Retirement System of Louisiana's inflation rate assumption was lowered from 2.5% to 2.4% annually, and the salary increase assumption was lowered from 5.25% to 4.75%. The real investment rate of return also decreased from 7.00% in 2015 to 6.75% in 2016. Additionally, the System uses the RP-2000 Employee Sex Distinct Table for selected employees and the RP-2000 Healthy Annuitant Sex Distinct Tables to develop its mortality rate assumptions.

## **OTHER SUPPLEMENTARY INFORMATION**

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**SCHEDULE OF COMPENSATION PAID TO BOARD MEMBERS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

The schedule of compensation paid to Board of Commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Payment per diem is made in accordance with Louisiana Revised Statute 40:1498 which authorizes per diem payments of \$100 per regular and special board meeting and \$50 per committee meeting. The maximum number of committee meetings per month allowed is two.

<u>Name</u>	<u>Amount</u>
William Dobson	\$ 1,300
Ambrose Amedee	200
David Lindsey	200
Colin John Buchholz	800
Earl B. Gorrondona	1,300
Darryl Taylor	1,100
Robert Zipp	<u>500</u>
	<u><u>\$ 5,400</u></u>

(See Independent Auditors' Report)

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO AGENCY HEAD**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**Kenneth Moore, Fire Chief**

<u><b>Purpose</b></u>	<u><b>Amount</b></u>
Salary	\$ 128,201
Benefits - insurance	13,954
Benefits - other	150
Retirement Offset (FRS)	71,288
State Supplemental Pay	7,200
Annual leave	1,649
Holiday pay	5,772
Other pay	<u>79,990</u>
Total compensation, benefits and other payments	<u><u>\$ 308,205</u></u>

(See Independent Auditors' Report)

**OTHER REPORT REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Commissioners  
St Tammany Parish Fire Protection District No. 4  
Mandeville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of St. Tammany Parish Fire Protection District No. 4, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the St. Tammany Parish Fire Protection District No. 4's basic financial statements, and have issued our report thereon dated June 6, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered St. Tammany Parish Fire Protection 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 St. Tammany Parish Fire Protection District No. 4's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Tammany Parish Fire Protection 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of St. Tammany Parish Fire Protection District No. 4'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 have were not identified.





To the Board of Commissioners  
St Tammany Parish Fire Protection District No. 4  
June 6, 2025

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether St. Tammany Parish Fire Protection 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

June 6, 2025  
Mandeville, Louisiana

*Erickson Krentel, LLP*  
Certified Public Accountants

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**SECTION I SUMMARY OF AUDIT RESULTS**

1. The independent auditors' report expresses an unmodified opinion on the financial statements of St. Tammany Parish Fire Protection District No. 4.
2. No significant deficiencies or material weakness disclosed during the audit of the financial statements is reported in the Independent Auditors' 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*.
3. No instances of noncompliance material to the financial statements of St. Tammany Parish Fire Protection District No. 4, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. A management letter was not issued for the year ended December 31, 2024.

**SECTION II FINANCIAL STATEMENT FINDINGS**

Not Applicable

**ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 4**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**

None

**MANAGEMENT LETTER ITEMS**

A management letter was not issued in the prior year.