

LIVINGSTON PARISH FIRE PROTECTION DISTRICT No. 5
DENHAM SPRINGS, LOUISIANA

ANNUAL FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana
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As of and For the Year Ended December 31, 2025

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Independent Auditor's Report

To the Members of the Board of Commissioners of
Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of Livingston Parish Fire Protection District No. 5 ("the "District"), a component unit of Livingston Parish Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise 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 general fund of the District as of December 31, 2025, 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 audits in accordance with auditing standards generally accepted in the United States of America and 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Error Corrections

As described in Note 15 to the financial statements, the District adjusted its beginning fund balance in the general fund to correct certain errors. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America 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 date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 25 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.

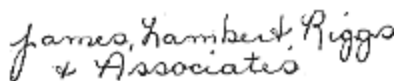
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of compensation, benefits, and other payments to agency head is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

September 21, 2026

Basic Financial Statements

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana
Statement of Net Position
December 31, 2025

Exhibit A

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$ 274,226
Investments	641,511
Property Taxes Receivable, Net	1,723,820
User Fees Receivable, Net	282,591
State Revenue Sharing Receivable	68,839
Prepaid Insurance	230,589
Other Assets	75
Nondepreciable Capital Assets:	
Land	1,124,320
Construction in Progress	394,593
Depreciable Capital Assets, Net	<u>3,663,431</u>
Total Assets	<u><u>\$ 8,403,995</u></u>
Liabilities	
Accounts Payable	\$ 153,423
Accrued Payroll and Payroll Taxes Payable	34,219
Insurance Premium Financing	<u>183,147</u>
Total Liabilities	<u><u>\$ 370,789</u></u>
Net Position	
Net Investment in Capital Assets	\$ 1,491,180
Restricted	3,691,164
Unrestricted	<u>2,850,862</u>
Total Net Position	<u><u>\$ 8,033,206</u></u>

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

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana
Statement of Activities
For the Year Ended December 31, 2025

Exhibit B

	<u>Governmental Activities</u>
Program Expenses:	
Public Safety - Fire Protection	\$ 2,514,430
Program Revenues:	
Capital Grants and Contributions	<u>268,157</u>
Net Program (Expense) Revenue	(2,246,273)
General Revenues:	
Ad Valorem Taxes	1,913,345
User Fees	334,115
State Revenue Sharing	168,937
Fire Insurance Rebate	111,030
State Supplemental Pay	57,680
Other Revenues	1,040
Donation of Building	1,223,189
Gain (Loss) on Sale of Assets	(16,031)
Interest	<u>60,812</u>
Total General Revenues	<u>3,854,117</u>
Change in Net Position	1,607,844
Net Position - Beginning of Year	<u>6,425,362</u>
Net Position - End of Year	<u>\$ 8,033,206</u>

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

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana
Governmental Fund Balance Sheet
December 31, 2025

Exhibit C

	General Fund
Assets	
Cash and Cash Equivalents	\$ 274,226
Investments	641,511
Property Taxes Receivable, Net	1,723,820
User Fees Receivable, Net	282,591
State Revenue Sharing Receivable	68,839
Prepaid Insurance	230,589
Other Assets	75
Total Assets	<u>\$ 3,221,651</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance	
Liabilities:	
Accounts Payable	\$ 153,423
Accrued Payroll and Payroll Taxes Payable	34,219
Total Liabilities	<u>187,642</u>
Deferred Inflows of Resources:	
Unavailable Revenue - Ad Valorem Taxes	66,465
Unavailable Revenue - User Fees	14,975
Unavailable Revenue - State Revenue Sharing	68,839
Total Deferred Inflows of Resources	<u>150,279</u>
Fund Balance:	
Nonspendable	230,589
Unassigned	2,653,141
Total Fund Balance	<u>2,883,730</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 3,221,651</u>

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

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
December 31, 2025

Exhibit D

Total Governmental Fund Balance (Exhibit C)	\$ 2,883,730
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,182,344
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Amounts owed on insurance premium financing are liabilities in the governmental activities but are not recorded in the governmental fund financial statements.	(183,147)
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Certain revenues are not available for current-period expenditures and therefore are reported as deferred inflows of resources in the governmental fund.	<u>150,279</u>
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Net Position of Governmental Activities (Exhibit A)	<u><u>\$ 8,033,206</u></u>
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The accompanying notes are an integral part of these financial statements.

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana
Governmental Fund Statement of Revenues, Expenditures, and
Change in Fund Balance
For the Year Ended December 31, 2025

Exhibit E

	General Fund
Revenues:	
Ad Valorem Taxes	\$ 1,893,679
User Fees	335,504
State Revenue Sharing	100,098
Fire Insurance Rebate	111,030
Grant Revenues	268,157
On Behalf Payments	57,680
Other Revenues	1,040
Interest	60,812
Total Revenues	<u>2,828,000</u>
Expenditures:	
Public Safety - Fire Protection:	
Salaries & Related Benefits	1,083,812
Insurance	595,211
Repairs & Maintenance	121,769
Supplies	73,284
Professional Fees	205,372
Utilities	63,417
Miscellaneous	5,247
Training	312
Travel & Entertainment	53
Dues & Subscriptions	12,021
Capital Outlay	434,348
Debt Service - Principal	76,237
Debt Service - Interest	4,096
Total Expenditures	<u>2,675,179</u>
Excess of Revenues over Expenditures	152,821
Other Financing Sources (Uses):	
Proceeds from Sale of Assets	11,484
Proceeds on Premium Financing	259,384
Total Other Financing Sources (Uses):	<u>270,868</u>
Change in Fund Balance	423,689
Fund Balance - Beginning of the Year, as Previously Reported	2,523,204
Error Correction (See Note 15)	<u>(63,163)</u>
Fund Balance - Beginning of the Year, as Restated	<u>2,460,041</u>
Fund Balance - End of the Year	<u>\$ 2,883,730</u>

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

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana

Exhibit F

Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and
Change in Fund Balance to the Government-Wide Statement of Activities
For the Year Ended December 31, 2025

Net Change in Fund Balance, Governmental Fund (Exhibit E)	\$ 423,689
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay	434,348
Depreciation Expense	(349,836)
Gain / (Loss) on Disposal of Capital Assets	(27,515)

The District's receipt of a donation of a building is not recorded in the governmental funds on the modified-accrual basis of accounting, but is recorded on the government-wide statement of activities on the accrual basis of accounting.	1,223,189
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In the governmental fund, premium financing debt provides current financial resources while the repayment of the debt consumes current financial resources. The statement of activities, however, does not report these amounts.	(183,147)
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Certain revenues in the government-wide statement of activities include economic resources that are not reported as revenues in the governmental fund operating statement.	<u>87,116</u>
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Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 1,607,844</u>
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The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements

For the Year Ended December 31, 2025

Narrative Profile

The Livingston Parish Fire Protection District No. 5 (the “District”) is a body corporate created by the Livingston Parish Council (the “Council”), as provided by Louisiana Revised Statutes (LRS). The District is governed by a Board of five commissioners who are appointed by the Council. The District was created for the purpose of providing fire protection and prevention to District Five of the Parish of Livingston.

The accounting and reporting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of LRS 24:513 and to the guidance set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*.

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Section 2100 of the GASB Codification, *Defining 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 Livingston 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.

B. Fund Accounting

The District uses fund accounting to maintain its financial records and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all of the District’s general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund’s assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations of the District. The following is the District’s governmental fund:

General Fund - the primary operating fund of the District, which accounts for all the operations of the District, except those required to be accounted for in other funds.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

C. Measurement Focus / Basis of Accounting

Basic Financial Statements – Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include all the financial activities of the District with most of the interfund activities removed. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest earnings and other revenues not properly included among program revenues are reported instead as general revenues.

The District does not allocate indirect expenses.

Basic Financial Statements – Governmental Funds

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District's operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related liability is incurred, except for interest and principal payments on long-term debt, which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Revenues are generally recognized when they become measurable and available as net current assets. Taxes, state revenue sharing, grants, interest revenue, and other revenues are recorded when due.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

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

Reconciliation – Explanation of differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Exhibit D of the basic financial statements. Explanation of differences between the governmental fund statement of revenues, expenditures, and change in fund balance and the government-wide statement of activities is presented in Statement F of the basic financial statements.

D. Budgets and Budgetary Accounting

The District adopted an operating budget for its General Fund for the fiscal year ended December 31, 2025. The budget for this fund is adopted on the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP). The District follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Fire Chief prepares the proposed budgets and submits them to the Board for their review no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. Once a public hearing is held and all of the action necessary to finalize and implement the budget is completed, the budget is adopted through the passage of a resolution prior to the commencement of the fiscal year for which the budget is adopted.
5. Budgetary amendments require the approval of the board of commissioners.
6. All budgetary appropriations lapse at year-end.
7. Periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the originally adopted budget amounts and final amended budgetary amounts.

The adopted budget constitutes the authority of the Fire Chief to incur liabilities and authorize expenditures from the respective budgeted funds. Additionally, certain expenditures are approved monthly by the Board before payment.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

E. Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, interest bearing demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. In addition, the District may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments for the District are reported at cost.

F. Receivables

All ad valorem taxes receivable and user fees receivable are reported net of an allowance for uncollectible amounts.

G. Prepaid Insurance

Certain payments for insurance reflect costs applicable to future accounting periods and are recorded as prepaid items when paid. The District uses the allocation, or consumption, method for prepaid items. Under this method, prepaid items are reported as assets and are recognized as expenditures in the period in which the related goods or services are consumed or received.

In the governmental fund financial statements, prepaid items reported in the General Fund are classified as nonspendable fund balance because they are not in spendable form.

H. Capital Assets

Capital outlays are recorded as expenditures of the governmental fund and as assets in the government-wide financial statements. Capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are valued at their acquisition value (entry price) at the date of donation. At December 31, 2025, the District did not have a formal capitalization policy establishing a capitalization / expense threshold.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

I. Compensated Absences

At December 31, 2025, the District has no plan or provision for compensated absences, pension plan, or other post-employment benefits. Vacation time cannot be accumulated and must be taken by the end of the year. There is no provision for leave carryover; therefore, leave accruals are not necessary.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

J. Deferred Inflows of Resources

The governmental fund balance sheet 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 that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. Currently, the District has three items that qualify for reporting in the category on the balance sheet, which are unavailable ad valorem taxes, unavailable user fees, and unavailable state revenue sharing.

K. Net Position

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

1. Net Investment in Capital Assets – consists of the historical cost of capital assets, including any restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – consists of assets that have constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
3. Unrestricted – all other net position is reported in this category.

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

L. Fund Balance

In the governmental fund financial statements, fund balance is classified as follows:

1. Nonspendable Fund Balance – amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
2. Restricted Fund Balance – amounts that can be spent only for specific purposes because of enabling legislation, or externally imposed conditions by grantors, creditors, or citizens.
3. Committed Fund Balance – amounts that can be used only for the specific purposes determined by a formal action of the Board (the District's highest level of decision-making authority).
4. Assigned Fund Balance – amounts that are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned Fund Balance – all amounts not included in other spendable classifications.

The District considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available.

As of December 31, 2025, the District did not have any committed, or assigned fund balances.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

M. Estimates

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

2. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for all governmental funds. All annual appropriations lapse at year-end. See Note 1-D regarding operating budgets. The District complied with the Louisiana Local Government Budget Act in adopting its budget for the year ended December 31, 2025.

B. Deposits and Investment Laws and Regulations

In accordance with state law, all uninsured deposits of funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. As reflected in Note 3 regarding cash and cash equivalents, the District complied with the deposits and investments laws and regulations.

C. Deficit Fund Equity

As of December 31, 2025, the District's general fund did not have a deficit fund equity.

3. Cash, Cash Equivalents, and Investments

As reflected on Exhibit A, the District has cash and cash equivalents totaling \$274,226 and investments totaling \$641,511 at December 31, 2025. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

The following is a summary of cash and investments at December 31, 2025, with the related federal deposit insurance and pledge securities:

Bank Balances and Investments:

Insured (FDIC Insurance)	\$ 250,000
Collateralized:	
Collateral held by pledging bank's trust department not in the District's name	44,635
Uninsured and Uncollateralized	-
Louisiana Asset Management Pool Investment	<u>641,511</u>

Total Deposits and Investments	<u><u>\$ 936,146</u></u>
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Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

Even though the pledged securities are not held in the entity's name, LRS 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand. Deposits collateralized by pledged securities are considered to be exposed to credit risk (Category 3) under the provisions of GASB Statement 40. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial risk. As of December 31, 2025, the District was in compliance with state law which requires any uninsured cash balances with the fiscal agent bank to be adequately collateralized by a pledge of securities.

Louisiana Asset Management Pool (LAMP) is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LRS 33:2955.

GASB Statement No. 40 requires disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool that, to the extent practical, invests in a manner consistent with GASB Statement No. 79, Certain External Investment Pools and Pool Participants. The following facts are relevant for investment pools:

- Credit Risk: LAMP is rated AAAm by Standard & Poor's.
- Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of Credit Risk: Pooled investments are excluded from the 5% disclosure requirement.
- Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating / variable rate investments. The WAM for LAMP's total investments was 31 days as of December 31, 2025.
- Foreign Currency Risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc., That report may be obtained by writing to LAMP, Inc. 650 Poydras Street, Suite 2220, New Orleans, Louisiana 70130, or by calling (800) 249-5267.

4. Receivables

Receivables of \$2,075,325 at December 31, 2025, are as follows:

Property Tax Receivable	\$ 1,777,134
Allowance for Uncollectible - Property Taxes	(53,314)
User Fee Receivable	291,331
Allowance for Uncollectible - User Fees	(8,740)
State Revenue Sharing Receivable	68,839
Other Receivable	75
	<u>\$ 2,075,325</u>

Uncollectible amounts are recognized as bad debts through the establishment of an allowance account at the time information becomes available that would indicate the uncollectibility of the receivable.

5. Levied Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District during the year, are billed to taxpayers, and become due in November. Billed taxes become delinquent on December 31. Revenues from ad valorem taxes are budgeted and recognized as revenue in the year billed. The Livingston Parish Sheriff bills and collects the property taxes using the assessed value determined by the Livingston Parish Assessor. The taxes are generally collected in December of the current year and January and February of the ensuing year. For 2025, the District levied 10.14 mills for a total tax levy of \$1,941,841. An allowance for uncollectible property taxes was recorded at 3.0% of the balance due (\$53,314).

6. User Fees

For the year 2025, a user fee of \$32 was assessed on each household within the District's boundaries. Total fees levied were \$334,752. At December 31, 2025, the user fee receivable was \$291,331. User fees receivable at December 31, 2025, are recorded net of a 3.0% allowance for uncollectible fees (\$8,740).

7. Tax Abatements

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is a state incentive program that offers attractive tax incentive for manufacturers within the state. The program abates, for up to ten years, local ad valorem on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. This exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and / or personal property items covered by the exemption. For the District, there are currently seven (7) tax abatements, related to two (2) companies, under the Louisiana ITEP. For the 2025 calendar year, estimated forgone ad valorem taxes due to this abatement program was \$36,116.

Livingston Parish Fire Protection District No. 5**Denham Springs, Louisiana**

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

8. Payables

Accounts payables at December 31, 2025, are as follows:

Accounts Payable	\$ 153,423
Accrued Payroll & Related Liabilities	32,327
State Withholding Tax Payable	1,892
Total	<u>\$ 187,642</u>

9. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2025, are as follows:

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Capital Assets Not Depreciated:				
Land	\$ 1,124,320	\$ -	\$ -	\$ 1,124,320
Construction in Progress	384,601	39,687	29,695	394,593
Capital Assets Being Depreciated:				
Furniture & Fixtures	32,629	6,702	-	39,331
Buildings	2,301,975	1,252,884	39,325	3,515,534
Vehicles	3,783,041	194,115	-	3,977,156
Equipment	1,029,471	193,844	10,037	1,213,278
Total Capital Assets Depreciated	7,147,116	1,647,545	49,362	8,745,299
Less Accumulated Depreciation:				
Furniture & Fixtures	19,630	3,338	-	22,968
Buildings	597,431	123,632	11,810	709,253
Vehicles	3,180,103	170,777	-	3,350,880
Equipment	956,715	52,089	10,037	998,767
Total Accumulated Depreciation	4,753,879	349,836	21,847	5,081,868
Capital Assets Being Depreciated, Net	2,393,237	1,297,709	27,515	3,663,431
Total	<u>\$ 3,902,158</u>	<u>\$ 1,337,396</u>	<u>\$ 57,210</u>	<u>\$ 5,182,344</u>

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

Buildings and Building Improvements	10 - 40	Year Life
Furniture and Fixtures	5 - 10	Year Life
Vehicles	5 - 15	Year Life
Equipment	5 - 10	Year Life

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

10. Donation of Land

On October 31, 2022, the District received a donation of 2.003 acres of land (valued at \$1,047,008) located at the Juban Crossing development in Livingston Parish. The donation is contingent upon the District beginning construction of a fire station with a minimum of two bays within thirty-six months of the signing of the act of donation. As of December 31, 2025, the District has completed some land improvements to the area for the future construction. As a result, the entire value of the land is considered to be Restricted Net Position as of December 31, 2025.

11. Donation of Buildings

Safe Room: Myers Road Station 2

On March 19, 2020 the District entered into a cooperative endeavor agreement with Livingston Parish for the design and construction of a dual-use hurricane safe room, based on Federal Emergency Management Agency (FEMA) regulations and requirements. The value of this safe room is \$1,391,272 and was completed by December 31, 2024. The safe room was constructed using grant agreements between Livingston Parish and the Louisiana Governor's Office of Homeland Security & Emergency Preparedness. The Parish is listed as the sub-recipient for this building. As a result, the entire value of the building is considered to be Restricted Net Position as of December 31, 2025.

Safe Room: Highway 16 Station 3

On March 19, 2020 the District entered into a cooperative endeavor agreement with Livingston Parish for the design and construction of a dual-use hurricane safe room, based on Federal Emergency Management Agency (FEMA) regulations and requirements. The value of this safe room is \$1,252,884 and was completed by December 31, 2025. The safe room was constructed using grant agreements between Livingston Parish and the Louisiana Governor's Office of Homeland Security & Emergency Preparedness. The Parish is listed as the sub-recipient for this building. As a result, the entire value of the building is considered to be Restricted Net Position as of December 31, 2025.

12. Deferred Compensation Plan

The District offers its employees the LPFPD5 Retirement Plan (the "Plan"). This plan is a type of retirement plan commonly referred to as a Governmental Eligible 457(b) Plan, 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 unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights shall be held for the exclusive benefit of participants and their beneficiaries. As of December 31, 2025, the total employer contributions for the year was \$63,850.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

13. Compensation Paid to Board Members

The following schedule of per diem payments to Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As authorized by LRS 40:1498, each member of the Board shall be reimbursed \$30 for attending meetings of the Board, not to exceed two meetings in any one calendar month, and may be reimbursed any expenses incurred in performing the duties imposed upon them by virtue of their serving as members. The following is a breakdown of per diem paid to Board members:

Wesley Sorenson	\$ 405
Susan Mack	450
Robert Wendt	360
Mike Reed	450
Chris Kinchen	405
Jennifer Lovett	90
Randy Rae	90
Total	<u>\$ 2,250</u>

14. Contingent Liabilities

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks of loss are covered by a comprehensive commercial insurance policy and workers compensation insurance. Claims resulting from these risks have historically not exceeded insurance coverage. Therefore, no accrual for any loss contingency has been made in the financial statements.

15. Error Correction

During the year ended December 31, 2025, the District determined that the prior year financial statements for the General Fund omitted deferred inflows of resources related to unavailable ad valorem taxes and unavailable user fees. As a result, deferred inflows of resources were understated and beginning fund balance of the General Fund was overstated by \$63,163 in the District's 2024 financial statements. The error has been corrected in the accompanying financial statements by restating the beginning fund balance of the General Fund as of January 1, 2025.

	<u>Fund Financial Statements</u>
	<u>General Fund</u>
Fund Balance - Beginning of the Year, as Previously Reported	\$ 2,523,204
Error Corrections due to:	
Unavailable Revenue - Ad Valorem Taxes	(46,799)
Unavailable Revenue - User Fees	<u>(16,364)</u>
Total Error Corrections	<u>(63,163)</u>
Fund Balance - Beginning of the Year, as Restated	<u>\$ 2,460,041</u>

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Notes to the Financial Statements (Continued)

For the Year Ended December 31, 2025

16. Premium Financing

During the year ended December 31, 2025, the District entered into a premium financing agreement with a lender to finance a portion of its auto insurance premiums. The financed policies commenced on September 1, 2025.

Total premiums, taxes, and fees under the arrangement were \$345,884. After a down payment of \$86,500, the District financed the remaining \$259,384. The arrangement bears interest at an annual percentage rate of 7.00% and is payable in 10 monthly installments of \$26,778, beginning October 1, 2025, with final maturity on July 1, 2026. Total scheduled interest over the term of the arrangement is \$8,395. At December 31, 2025, the remaining balance on the loan of \$183,147 is reported as a current liability on the statement of net position.

17. Subsequent Events

Management has evaluated the subsequent events through the date that the financial statements were available to be issued, September 21, 2026, and determined that the following event required disclosure.

Subsequent to December 31, 2025, the District issued ad valorem tax revenue bonds in the amount of \$1,200,000 for the construction and improvement of fire protection facilities. The bonds bear interest at 4.92% and mature in March 2045.

No other subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Required Supplementary Information:
Budgetary Comparison Schedule

Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana
 Budgetary Comparison Schedule (GAAP Basis) – General Fund
 For the Year Ended December 31, 2025

Schedule 1

	Original Budget	Final Budget	Actual Amounts	Variance Favorable / (Unfavorable)
Revenues:				
Ad Valorem Taxes	\$ 1,848,971	\$ 1,813,934	\$ 1,893,679	\$ 79,745
User Fees	323,424	318,801	335,504	16,703
State Revenue Sharing	95,000	97,675	100,098	2,423
Fire Insurance Rebate	101,541	111,030	111,030	-
Grant Revenues	270,000	268,157	268,157	-
On Behalf Payments	57,600	57,600	57,680	80
Other Revenues	1,500	12,524	1,040	(11,484)
Interest	46,200	61,916	60,812	(1,104)
Total Revenues	2,744,236	2,741,637	2,828,000	86,363
Expenditures:				
Public Safety - Fire Protection:				
Salaries & Related Benefits	1,067,045	1,082,522	1,083,812	(1,290)
Insurance	500,000	604,173	595,211	8,962
Repairs & Maintenance	329,500	308,426	121,769	186,657
Supplies	140,000	63,030	73,284	(10,254)
Professional Fees	204,000	222,165	205,372	16,793
Bad Debts	55,469	58,000	-	58,000
Utilities	70,600	64,441	63,417	1,024
Miscellaneous	1,600	1,642	5,247	(3,605)
Training	3,000	532	312	220
Dues & Subscriptions	2,000	12,880	12,021	859
Tax, License, Permits	100	-	-	-
Travel & Entertainment	1,000	1,000	53	947
Capital Outlay	350,000	289,034	434,348	(145,314)
Debt Service - Principal	-	-	76,237	(76,237)
Debt Service - Interest	-	-	4,096	(4,096)
Total Expenditures	2,724,314	2,707,845	2,675,179	32,666
Excess of Revenues over Expenditures	19,922	33,792	152,821	119,029
Other Financing Sources (Uses):				
Proceeds from Sale of Asset	-	-	11,484	11,484
Proceeds on Premium Financing	-	-	259,384	259,384
Total Other Financing Sources (Uses):	-	-	270,868	270,868
Change in Fund Balance	19,922	33,792	423,689	389,897
Fund Balance:				
Beginning of the Year, as Previously Reported	2,523,204	2,523,204	2,523,204	-
Error Correction	-	-	(63,163)	(63,163)
Beginning of the Year, as Restated	2,523,204	2,523,204	2,460,041	(63,163)
End of the Year	\$ 2,543,126	\$ 2,556,996	\$ 2,883,730	\$ 326,734

See independent auditor's report.

Other Supplementary Information:

**Schedule of Compensation, Benefits, and Other Payments to
Agency Head**

Livingston Parish Fire Protection District No. 5Schedule 2**Denham Springs, Louisiana**

Schedule of Compensation, Benefits and Other Payments to Agency Head

For the Year Ended December 31, 2025

Agency Head: Joe Koczrowski, Fire Chief

Purpose	Amount
Salary	\$ 79,036
Benefits - Insurance	44,296
Benefits - Retirement	9,100
Benefits - Short Term Disability & Accident Policy	4,387
Benefits - FICA	6,742
Deferred Compensation	-
Car Allowance	-
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone	-
Dues	-
Per Diem	-
Reimbursements	-
Travel	-
Registration Fees	-
Conference Travel	-
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ 143,561</u>

See independent auditor's report.

**Other Independent Auditor's Reports and
Findings and Responses**

Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan L. Young, CPA
B. Jacob Steib, CPA
Lauren Kimble Smith, CPA

Dennis E. James, CPA
Lyle E. Lambert, CPA
Michael "Mickey" Simon, CPA



JAMES
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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Members of the Board of Commissioners of
Livingston Parish Fire Protection District No. 5
Denham Springs, 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 general fund of Livingston Parish Fire Protection District No. 5 (the "District"), a component unit of Livingston Parish Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 21, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However,

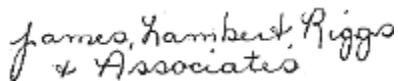
providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2025-001.

The District's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

September 21, 2026

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

**Schedule of Findings and Responses
For the Year Ended December 31, 2025**

We have audited, 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, the financial statements of the governmental activities and the general fund of Livingston Parish Fire Protection District No. 5 as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 21, 2026. Our audit of the basic financial statements resulted in an unmodified opinion.

Section I – Summary of Auditor's Reports

1. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weakness	<u> </u>	Yes	<u> X </u>	No
Significant Deficiencies	<u> </u>	Yes	<u> X </u>	No

Compliance:

Noncompliance Material to the Financial Statements	<u> X </u>	Yes	<u> </u>	No
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2. Management Letter

Was a management letter issued?	<u> X </u>	Yes	<u> </u>	No
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Section II – Financial Statement Findings

Internal Control over Financial Reporting

None

Compliance and Other Matters

2025-001 Compliance with State Bond Commission Approval Laws

Condition: Noncompliance with the requirement to seek approval from the Louisiana State Bond Commission when incurring debt.

Criteria: Louisiana RS 39:1410.60 disallows local governments from borrowing money or otherwise incurring debt on terms exceeding ninety days without the consent and approval of the State Bond Commission.

Cause: Due to the rise in cost of automobile insurance, the District entered into a premium financing agreement to pay the premiums for its insurance coverage without the consent and approval of the State Bond Commission.

Effect: The District appears to have violated Louisiana RS 39:1410.60.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Schedule of Findings and Responses

For the Year Ended December 31, 2025

Recommendation: We recommend the District avoid premium financing agreements in the future or to seek approval of the State Bond Commission when entering into such agreements.

Management's Response: See management's response date September 21, 2026.

Livingston Parish Fire Protection District No. 5

Denham Springs, Louisiana

Summary Schedule of Prior Audit Findings

For the Year Ended December 31, 2025

<u>Ref.#</u>	<u>Fiscal Year Findings Initially Occurred</u>	<u>Description of Findings</u>	<u>Corrective Action Taken</u>
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Internal Control over Financial Reporting

None

Compliance and Other Matters

None

FIRE PROTECTION DISTRICT FIVE

P. O. Box 277 (8098 Florida Blvd. @ Eden Church Road)
Denham Springs, Louisiana 70727

Office: (225)664-1679

Fax (225)664-0245

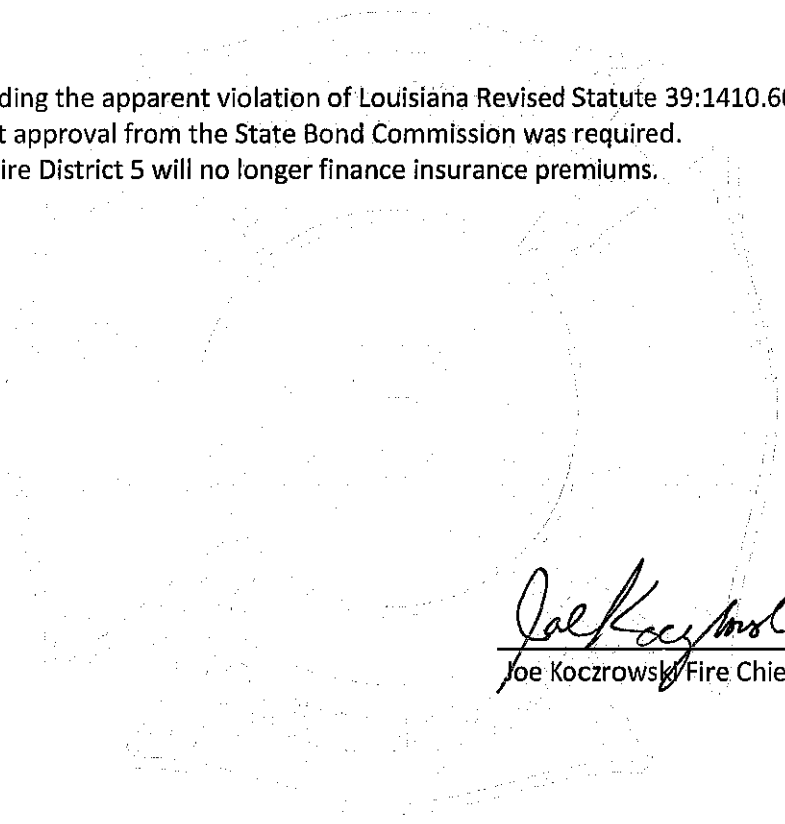
Chief Joseph Koczrowski
jkoczrowski@lpfpd5.net

Response to Audit 9/21/2026

State Bond Commission

Compliance Matter: Regarding the apparent violation of Louisiana Revised Statute 39:1410.60, Livingston Fire District 5 was unaware that approval from the State Bond Commission was required.

Future Action: Livingston Fire District 5 will no longer finance insurance premiums.



Joe Koczrowski

Joe Koczrowski Fire Chief

Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
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B. Jacob Steib, CPA
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September 21, 2026

Chief Joe Koczrowski
Livingston Parish Fire Protection District #5
8098 Florida Boulevard
Denham Springs, Louisiana 70726

Dear Chief Koczrowski:

In connection with our audit of the financial statements of Livingston Parish Fire Protection District #5 (the District) as of December 31, 2025, and for the year then ended, we considered the District's internal control over financial reporting as a basis for designing audit procedures that were appropriate in the circumstances. Our consideration was not designed for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express such an opinion.

During our audit, we noted certain matters that, in our judgment, are not required to be included in our communication of significant deficiencies and material weaknesses (if any) but warrant management's attention. These matters are summarized below. To the extent applicable, these comments are in addition to, and do not modify, any separate report on internal control or other separate communication of internal control deficiencies that may be issued in connection with the audit.

Our comments and recommendations are based solely on information and procedures applied in the course of our audit and are not intended to identify all deficiencies in internal control or other matters that might be of interest to management or those charged with governance. Accordingly, other matters may exist that were not identified.

Condition

The District's purchasing policy requires purchase orders to be prepared and maintained for applicable purchases. During our testing, we noted that purchase orders were used in all cases that required them, and the purchase orders supported the vendor used. However, the purchase orders typically did not include sufficient detail to support the specific items, quantities, and amounts reflected on the related vendor invoices. As a result, while purchase orders were present and properly identified the vendors, they did not fully document the nature and expected cost of the goods or services purchased. Therefore, the District's purchase order policy is not being followed in full.

Effect

When purchase orders do not include sufficient detail regarding the items, quantities, and amounts approved, management's ability to demonstrate that purchases were properly authorized before goods or services were obtained is reduced. This condition may increase the risk that purchases are made for unauthorized items, incorrect quantities, or amounts that differ from what was intended or approved.

In addition, incomplete purchase order documentation may limit the effectiveness of the District's review and approval process and reduce the audit trail supporting compliance with established purchasing policies.

Recommendation

We recommend that management reinforce the District's purchase order policy and require purchase orders to include sufficient detail to support the goods or services being purchased, including, as applicable:

- A clear description of the items or services;
- Quantities ordered;
- Estimated or approved unit prices;
- Total approved purchase amount; and
- Any other relevant information necessary to compare the purchase order to the related invoice.

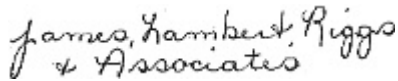
We further recommend that purchase orders be reviewed for completeness before approval and before the related invoice is processed for payment. Strengthening this process will help ensure that purchases are properly authorized, adequately documented, and consistent with the District's established policy.

Closing

We appreciate the cooperation and assistance provided by you and the District's personnel during the audit. We would be pleased to discuss this comment and recommendation with you and to assist, as requested, with implementation considerations.

This communication is intended solely for the information and use of management, the Board of Commissioners, and others within Livingston Parish Fire Protection District #5 and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James, Lambert, Riggs & Associate, Inc.

FIRE PROTECTION DISTRICT FIVE

P. O. Box 277 (8098 Florida Blvd. @ Eden Church Road)
Denham Springs, Louisiana 70727

Office: (225)664-1679

Fax (225)664-0245

Chief Joseph Koczrowski

jkoczrowski@lpfpd5.net

Response to Management Letter 9/21/26

Purchase Orders Documentation Requirements: Livingston Fire District 5 has reviewed and revised its policy. Each purchase order must now include the total amount and an itemized list Of all items being purchased. Expiration: Any unused purchase order becomes void after two weeks. Authorized Issuers: Only Joe Koczrowski, Chad Robinson, and Mickey Sharp are authorized to issue purchase orders.



Joe Koczrowski Fire Chief

LIVINGSTON PARISH FIRE PROTECTION DISTRICT NO. 5

STATEWIDE AGREED UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2025

Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA
Megan L. Young, CPA
B. Jacob Steib, CPA
Lauren Kimble Smith, CPA

Dennis E. James, CPA
Lyle E. Lambert, CPA
Michael "Mickey" Simon, CPA



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**Independent Accountant's Report on Applying Agreed-Upon Procedures
for the Year Ended December 31, 2025**

Mrs. Susan Mack, Chairman and Members of the Board of Commissioners of the
Livingston Parish Fire Protection District No. 5
Denham Springs, Louisiana

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. The Livingston Parish Fire Protection District No. 5's (the "District") management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are detailed in Schedule "A."

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

September 21, 2026

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - iv. ***Receipts / Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - v. ***Payroll / Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - **Results:** No exceptions were identified as a result of performing these procedures.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
 - **Results:** The District's ethics policy does not include the a system to monitor possible ethics violations and a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure / EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
 - **Results:** No exceptions were identified as a result of performing these procedures.
- xi. **Information Technology Disaster Recovery / Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing / verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches / updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
 - **Results:** No exceptions were identified as a result of performing these procedures.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.
 - **Results:** No exceptions were identified as a result of performing these procedures.

2) Board or Finance Committee

- A. Obtain and inspect the board / finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board / finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board / finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - **Results:** No exceptions were identified as a result of performing these procedures.

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

- **Results:** No exceptions were identified as a result of performing these procedures.

iv. Observe whether the board / finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

- **Results:** No exceptions were identified as a result of performing these procedures.

3) Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

- **Results:** No exceptions were identified as a result of performing these procedures.

ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and

- **Results:** Of the three bank reconciliations selected, none included written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared.

iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

- **Results:** No exceptions were identified as a result of performing these procedures.

4) Collections (excluding electronic funds transfers)

A. Obtain a listing of deposit sites for the fiscal period where deposits for cash / checks / money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

- **Results:** No exceptions were identified as a result of performing these procedures.

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

iii. Trace the deposit slip total to the actual deposit per the bank statement.

- **Results:** No exceptions were identified as a result of performing these procedures.

iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

- **Results:** Of the two deposits selected, one deposit was not made within one business day of receipt.

v. Trace the actual deposit per the bank statement to the general ledger.

- **Results:** No exceptions were identified as a result of performing these procedures.

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

A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

- **Results:** No exceptions were identified as a result of performing these procedures.

B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that

i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

- **Results:** No exceptions were identified as a result of performing these procedures.

ii. At least two employees are involved in processing and approving payments to vendors;

- **Results:** No exceptions were identified as a result of performing these procedures.

iii. The employee responsible for processing payments is prohibited from adding / modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

- **Results:** No exceptions were identified as a result of performing these procedures.

iv. Either the employee / official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

- **Results:** No exceptions were identified as a result of performing these procedures.

- v. Only employees / officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

- **Results:** No exceptions were identified as a result of performing these procedures.

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

- **Results:** No exceptions were identified as a result of performing these procedures.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial / date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

- **Results:** No exceptions were identified as a result of performing these procedures.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

- **Results:** No exceptions were identified as a result of performing these procedures.

6) Credit Cards / Debit Cards / Fuel Cards / Purchase Cards (Cards)

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

- **Results:** No exceptions were identified as a result of performing these procedures.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit / debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
 - **Results:** No exceptions were identified as a result of performing these procedures.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.
- **Results:** No exceptions were identified as a result of performing these procedures.
- D. Using the list of terminated employees obtained in Payroll and Personnel procedure #9C identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees’ authorization has been removed.
- **Results:** No exceptions were identified as a result of performing these procedures.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms / prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
- **Results:** No exceptions were identified as a result of performing these procedures.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

- **Results:** No exceptions were identified as a result of performing these procedures.

- iii. Observe that each reimbursement is supported by documentation of the business / public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and

- **Results:** No exceptions were identified as a result of performing these procedures.

- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

- **Results:** No exceptions were identified as a result of performing these procedures.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

- **Results:** No exceptions were identified as a result of performing these procedures.

- ii. Observe whether the contract was approved by the governing body / board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

- **Results:** No exceptions were identified as a result of performing these procedures.

- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

- **Results:** No exceptions were identified as a result of performing these procedures.

- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

- **Results:** No exceptions were identified as a result of performing these procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- **Results:** No exceptions were identified as a result of performing these procedures.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - **Results:** No exceptions were identified as a result of performing these procedures.
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary / pay rate found within the personnel file.
 - **Results:** No exceptions were identified as a result of performing these procedures.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- **Results:** No exceptions were identified as a result of performing these procedures.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
- **Results:** No exceptions were identified as a result of performing these procedures.

10) Ethics

- A. Using the 5 randomly selected employees / officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee / official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
- **Results:** No exceptions were identified as a result of performing these procedures.
- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- **Results:** No exceptions were identified as a result of performing these procedures.
- B. Inquire and / or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
- **Results:** No exceptions were identified as a result of performing these procedures.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- **Results:** No exceptions were identified as a result of performing these procedures.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).
- **Results:** No exceptions were identified as a result of performing these procedures.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- **Results:** No exceptions were identified as a result of performing these procedures.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.
- **Results:** No exceptions were identified as a result of performing these procedures.

13) Information Technology Disaster Recovery / Business Continuity

Perform the following procedures, **verbally discuss the results with management, and report “We performed the procedure and discussed the results with management.”**

- A. Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government’s local server or network, and (c) was encrypted.
- **Results:** We performed the procedure and discussed the results with management.
- B. Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- **Results:** We performed the procedure and discussed the results with management.
- C. Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- **Results:** We performed the procedure and discussed the results with management.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- **Results:** We performed the procedure and discussed the results with management.
- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees / officials with access to the agency’s information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 – completed the training; and
 - Hired on or after June 9, 2020 – completed the training within 30 days of initial service or employment.
 - **Results:** We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees / officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee / official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- **Results:** No exceptions were identified as a result of performing these procedures.

B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

- **Results:** No exceptions were identified as a result of performing these procedures.

C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

i. Number and percentage of public servants in the agency who have completed the training requirements;

- **Results:** No exceptions were identified as a result of performing these procedures.

ii. Number of sexual harassment complaints received by the agency;

- **Results:** No exceptions were identified as a result of performing these procedures.

iii. Number of complaints which resulted in a finding that sexual harassment occurred;

- **Results:** No exceptions were identified as a result of performing these procedures.

iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

- **Results:** No exceptions were identified as a result of performing these procedures.

v. Amount of time it took to resolve each complaint.

- **Results:** No exceptions were identified as a result of performing these procedures.

FIRE PROTECTION DISTRICT FIVE

P. O. Box 277 (8098 Florida Blvd. @ Eden Church Road)
Denham Springs, Louisiana 70727

Office: (225)664-1679

Fax (225)664-0245

Chief Joseph Koczrowski

jkoczrowski@lpfpd5.net

Response to SAUP 9/21/26

Ethics

Current policy: The ethics policy remains unchanged.

Planned Action: The Fire District will develop a policy addressing Louisiana Revised Statutes 42:1111-1121 by December 31, 2026.

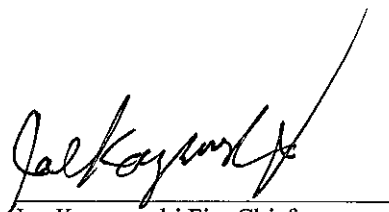
Training Requirement: All members are currently required to complete annual ethics training.

Deposit Procedures

Responsibility: Going forward, the Fire Chief will personally ensure that all deposits are made within one business day.

Bank Reconciliation

Responsibility: The Fire Chief will follow up to ensure that the Board Secretary and CPA Hannis T, Bourgeois reconcile books each month.



Joe Koczrowski Fire Chief