

**South Bossier Parish Fire District No. 2
Elm Grove, Louisiana**

Financial Statements With Auditor's Report

As of and For the Year Ended December 31, 2024

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana

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Independent Auditors' Report

Board of Commissioners
South Bossier Parish Fire District No. 2
Elm Grove, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and major fund of South Bossier Parish Fire District No. 2, a component unit of the Bossier Parish Police Jury, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the South Bossier Parish Fire District No. 2's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of South Bossier Parish Fire District No. 2, as of December 31, 2024, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of South Bossier Parish Fire District No. 2 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about South Bossier Parish Fire District No. 2's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of South Bossier Parish Fire District No. 2'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 South Bossier Parish Fire District No. 2's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 9, budgetary comparison information on pages 32 – 33, the Schedule of Contributions on page 34, and the Schedule of Proportionate Share of Net Pension Liability on page 35, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

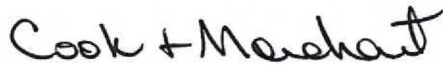
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South Bossier Parish Fire District No. 2's basic financial statements. The accompanying other supplementary information, Schedule of Compensation, Benefits, and Other Payments to Agency Head, shown on page 36, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits, and Other Payments to Agency Head, shown on page 36 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2025, on our consideration of South Bossier Parish Fire District No. 2'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 South Bossier Parish Fire District No. 2'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 South Bossier Parish Fire District No. 2's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
June 24, 2025

SOUTH BOSSIER PARISH FIRE DISTRICT NO. 2

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of South Bossier Parish Fire District No. 2's financial performance provides an overview of the South Bossier Parish Fire District No. 2's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the District's financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

The South Bossier Parish Fire District No. 2's net position increased by \$638,524 or 30%.

The South Bossier Parish Fire District No. 2's total general revenues were \$3,128,007 in 2024 compared to \$1,935,349 in 2023.

During the year ended December 31, 2024, the South Bossier Parish Fire District No. 2 had total expenses, excluding depreciation, of \$2,369,984, compared to \$2,158,094 in 2023.

The South Bossier Parish Fire District No. 2's long-term liabilities decreased \$465,971 from \$3,836,356, in 2023 to \$3,370,385, in 2024.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 10 and 11) provide information about the activities of the South Bossier Parish Fire District No. 2 as a whole and present a longer term view of the District's finances. Fund financial statements start on page 12. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the South Bossier Parish Fire District No. 2's operations in more detail than the government-wide statements by providing information about the South Bossier Parish Fire District No. 2's most significant funds.

The South Bossier Parish Fire District No. 2 was determined to be a component unit of the Bossier Parish Police Jury. The police jury is financially accountable for the district because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them. The accompanying financial statements present information only on the funds maintained by the South Bossier Parish Fire District No. 2.

Reporting the South Bossier Parish Fire District No. 2 as a Whole

Our analysis of the South Bossier Parish Fire District No. 2 as a whole begins on page 10. One of the most important questions asked about the South Bossier Parish Fire District No. 2's finances is "Is the South Bossier Parish Fire District No. 2 as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the funds maintained by the South Bossier Parish Fire District No. 2 as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the South Bossier Parish Fire District No. 2's *net position* and changes in them. You can think of the South Bossier Parish Fire District No. 2's net position – the difference between assets and liabilities – as one way to measure the South Bossier Parish Fire District No. 2's financial health, or *financial position*. Over time, *increases* or *decreases* in the South Bossier Parish Fire District No. 2's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base, to assess the overall health of the District.

In the Statement of Net Position and the Statement of Activities, we record the funds maintained by the South Bossier Parish Fire District No. 2 as governmental activities:

Governmental activities – all of the expenses paid from the funds maintained by the South Bossier Parish Fire District No. 2 are reported here which consists primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Ad valorem taxes finance most of these activities.

Reporting the District's Most Significant Funds

Our analysis of the major funds maintained by the South Bossier Parish Fire District No. 2 begins on page 12. The fund financial statements begin on page 12 and provide detailed information about the most significant funds maintained by the South Bossier Parish Fire District No. 2 – not the South Bossier Parish Fire District No. 2 as a whole. The South Bossier Parish Fire District No. 2's *governmental funds* use the following accounting approaches:

Governmental funds – All of the South Bossier Parish Fire District No. 2's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the South Bossier

Parish Fire District No. 2's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain South Bossier Parish Fire District No. 2 expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in reconciliation at the bottom of the fund financial statements.

THE SOUTH BOSSIER PARISH FIRE DISTRICT NO. 2 AS A WHOLE

The South Bossier Parish Fire District No. 2's total net position changed from a year ago, increasing from \$2,098,973 to \$2,737,497. Our analysis below will focus on key elements of the total governmental funds for the December 31, 2024 and 2023 years.

Table 1
Net Position

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 6,081,712	\$ 7,125,010
Capital assets	<u>2,771,622</u>	<u>1,629,717</u>
Total assets	<u>8,853,334</u>	<u>8,754,727</u>
Deferred outflows of resources	<u>426,072</u>	<u>613,144</u>
Current liabilities	199,264	237,122
Long-term liabilities	<u>3,370,385</u>	<u>3,836,356</u>
Total liabilities	<u>3,569,649</u>	<u>4,073,478</u>
Deferred inflows of resources	<u>2,972,260</u>	<u>3,195,420</u>
Net position:		
Investments in capital assets, net of related debt	1,552,641	1,629,717
Restricted	170,729	
Unrestricted	<u>1,014,127</u>	<u>469,256</u>
Total net position	<u>\$ 2,737,497</u>	<u>\$ 2,098,973</u>

Net position of the South Bossier Parish Fire District No. 2's governmental activities increased by \$638,524 or 30% as shown above. Unrestricted net position, the part of net position that can be used to finance South Bossier Parish Fire District No. 2's expenses without constraints or other legal requirements totaled \$469,256, at December 31, 2023, compared to \$1,014,127 at December 31, 2024.

Table 2
Change in Net Position

	Governmental Activities	
	2024	2023
Revenues		
Operating grants and contributions	\$ 172,475	\$ 154,991
General Revenues		
Ad valorem taxes	2,913,673	1,726,014
Intergovernmental	48,730	50,097
Interest income	148,980	117,655
Miscellaneous	16,624	41,583
Total revenues	<u>3,300,482</u>	<u>2,090,340</u>
Expenses		
General government	86,269	92,857
Public safety - fire protection	2,497,512	2,253,425
Interest expense	78,177	48,489
Total expenses	<u>2,661,958</u>	<u>2,394,771</u>
Increases (decrease) in net position	<u>\$ 638,524</u>	<u>\$ (304,431)</u>

The District had total revenues in the year ended December 31, 2023 of \$2,090,340, compared to total revenues of \$3,300,482 in the year ended December 31, 2024. The increase is due in part to an additional ad valorem tax levied of 3.5 mills to pay for Series 2023 Limited Tax Bonds, as well as increased ad valorem due to reassessment.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental fund (as presented in the balance sheet on page 12) reported a fund balance of \$3,113,253, which is less than last year's fund balance of \$3,924,570. The primary reason for the decrease is increased capital outlay expense due to the purchase of 2 pumper trucks.

General Fund Budgetary Highlights

The District adopted a budget for its General Fund for the year ended December 31, 2024. There were no amendments to the budget during the year. The District's budgetary comparison is presented as required supplementary information and shown on page 32. Highlights for the year are as follows:

- Revenues received were higher than budgeted revenues, due in part to higher than anticipated intergovernmental funds and interest and dividends.
- Expenditures were higher than budgeted amounts due to an increase in capital outlay purchases.

The District's General Fund balance of \$3,113,253 reported on page 13 differs from the General Fund's *budgetary* fund balance of \$3,243,755 reported in the budgetary comparison schedule on page 32. This is primarily due to the District budgeting on the cash basis of accounting.

CAPITAL ASSETS

At the end of December 31, 2024 and 2023, the South Bossier Parish Fire District No. 2 had invested \$2,771,622 and \$1,629,717, respectively, in capital assets. (see table 3 below). More detail information about the capital assets are presented in Note 7 to the financial statements.

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

	Governmental Activities	
	2024	2023
Land	\$ 74,204	\$ 74,204
Construction in process	21,280	
Buildings	613,083	654,901
Equipment	290,068	110,996
Vehicle and improvements	1,772,987	789,616
Total	<u>\$ 2,771,622</u>	<u>\$ 1,629,717</u>

This year's major additions included:

Vehicles and improvements	\$ 1,197,701	\$ 116,513
Construction in process	21,280	
Equipment	214,897	38,103
Total	<u>\$ 1,433,878</u>	<u>\$ 154,616</u>

DEBT

At the end of 2024 and 2023, South Bossier Parish Fire District No. 2 had \$3,836,356 and \$3,370,385, respectively, in long-term liabilities, as noted below:

Long-term liabilities of Benton Fire District No. 2 are as follows:

Table 4
Outstanding Debt At Year End

	Governmental Activities 2024	Governmental Activities 2023
Series 2023 Limited Tax Bonds	\$ 1,854,000	\$ 2,000,000
Net pension liability	1,516,385	1,836,356
Total long-term liabilities, governmental activities	<u>\$ 3,370,385</u>	<u>\$ 3,836,356</u>

In 2023, the District issued \$2,000,000 in Series 2023 Limited Tax Bonds. The bonds will be paid from income derived from the levy and collection of an ad valorem tax of 3.5 mills.

More detailed information about long-term liabilities can be found in Notes 4 and 10.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The South Bossier Parish Fire District No. 2's management considered many factors when setting a fiscal year December 31, 2025 budget. Revenues are expected to be substantially the same as 2024. Operating expenditures are expected to be substantially the same as 2024.

CONTACTING THE FIRE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the South Bossier Parish Fire District No. 2 and to show the South Bossier Parish Fire District No. 2's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the South Bossier Parish Fire District No. 2, 3551 Highway 527, Elm Grove, LA 71051.

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Statement of Net Position
December 31, 2024

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 150,391
Investments	2,155,186
Accounts receivable - ad valorem taxes	2,794,924
Accrued interest receivable	8,183
Restricted cash	973,028
Capital assets	
Depreciable (net)	2,676,138
Non-depreciable	<u>95,484</u>
Total assets	<u>8,853,334</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	<u>426,072</u>
LIABILITIES	
Accounts payable	86,769
Accrued expenses	112,495
Long-term liabilities:	
Due within one year	174,000
Due within more than one year	<u>3,196,385</u>
Total liabilities	<u>3,569,649</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	
Ad valorem taxes	2,794,924
Pension related	<u>177,336</u>
Total deferred inflows of resources	<u>2,972,260</u>
NET POSITION	
Investment in capital assets	1,552,641
Restricted - debt service	170,729
Unrestricted	<u>1,014,127</u>
Total net position	<u><u>\$ 2,737,497</u></u>

See accompanying notes to the basic financial statements.

South Bossier Parish Fire District No. 2
 Elm Grove, Louisiana
 Statement of Activities
 For the Year Ended December 31, 2024

	<u>Governmental Activities</u>
Expenses:	
General government	\$ 86,269
Public safety - fire protection	2,497,512
Interest expense	<u>78,177</u>
Total expenses	2,661,958
Program revenues:	
Operating grants and contributions	<u>172,475</u>
Net program expenses	(2,489,483)
General revenues:	
Ad valorem taxes	2,913,673
Intergovernmental - fire insurance rebate	48,730
Interest and dividends	148,980
Miscellaneous	<u>16,624</u>
Total general revenues	3,128,007
Change in net position	638,524
Net position - beginning	<u>2,098,973</u>
Net position - ending	<u><u>\$ 2,737,497</u></u>

See accompanying notes to the basic financial statements.

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Balance Sheet
Governmental Fund
December 31, 2024

	General Fund
Assets	
Cash	\$ 150,391
Investments	2,155,186
Accounts receivable - ad valorem taxes	2,794,924
Accrued interest receivable	8,183
Restricted cash	973,028
Total assets	<u>\$ 6,081,712</u>
Liabilities	
Accounts payable	\$ 86,769
Accrued expenses	86,766
Total liabilities	<u>173,535</u>
Deferred inflows of resources	
Unavailable revenue	
Ad valorem taxes	2,794,924
Total deferred inflows of resources	<u>2,794,924</u>
Fund balances	
Restricted	
Capital improvements	781,019
Debt service	170,729
Committed	
Station construction	107,459
Unassigned	2,054,046
Total fund balances	<u>3,113,253</u>
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.	2,771,622
Other long-term assets and other amounts are not available to pay for current-period expenditures and therefore are not available in the governmental funds.	
Deferred outflows - pension related	426,072
Long-term liabilities and other amounts are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(1,854,000)
Accrued interest payable	(25,729)
Net pension liability	(1,516,385)
Deferred inflows - pension related	<u>(177,336)</u>
Net position of governmental activities	<u>\$ 2,737,497</u>

See accompanying notes to the basic financial statements.

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund
For the Year Ended December 31, 2024

	General Fund
Revenues	
Ad valorem taxes	\$ 2,913,673
Intergovernmental	137,230
Miscellaneous	16,624
Interest and dividends	148,980
	<hr/>
Total revenues	3,216,507
	<hr/>
Expenditures	
Current:	
General government	86,269
Public safety	2,260,740
Capital outlay	1,433,878
Debt service:	
Principal retirement	146,000
interest charges	100,937
	<hr/>
Total expenditures	4,027,824
	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(811,317)
Fund balances at beginning of year	3,924,570
	<hr/>
Fund balances at end of year	\$ 3,113,253
	<hr/>

See accompanying notes to the basic financial statements.

South Bossier Parish Fire District No. 2
 Elm Grove, Louisiana
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in
 Fund Balances of the Governmental Fund to the Statement of Activities
 For the Year Ended December 31, 2024

Net change in fund balances - total governmental fund	\$ (811,317)
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Amounts reported for governmental activities in the statement of activities
 are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$1,433,878) exceeded depreciation (\$291,973) in the current period.	1,141,905
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The repayment of principal of long-term debt consumes current financial resources of governmental funds.	146,000
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Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not recorded as expenditures in governmental funds.	22,761
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Pension expense	55,200

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Non-employer contributions to cost-sharing pension plan	83,975

Change in net position of governmental activities	<u>\$ 638,524</u>
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See accompanying notes to the basic financial statements.

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Notes to Financial Statements
December 31, 2024

INTRODUCTION

The South Bossier Parish Fire District No. 2 (the District) was created by the Bossier Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492, on June 11, 1985 by ordinance number 1113. The district is governed by a five member board of commissioners appointed by the Bossier Parish Police Jury. The Board of Commissioners received no compensation during 2024. The district is responsible for maintaining and operating fire stations and equipment and providing fire protection within the boundaries of the district.

(1) Summary of Significant Accounting Policies

The South Bossier Parish Fire District No. 2's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the South Bossier Parish Fire District No. 2 is discussed below.

A. Reporting Entity

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

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

B. Basic Financial Statements – Government-Wide Statements

The South Bossier Parish Fire District No. 2's basic financial statements include both government-wide (reporting the funds maintained by the South Bossier Parish Fire District No. 2 as a whole) and fund financial statements (reporting the South Bossier Parish Fire District No. 2's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The South Bossier Parish Fire District No. 2's general fund is classified as governmental activities. The South Bossier Parish Fire District No. 2 does not have any business-type activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables. The South Bossier Parish Fire District No. 2's net position is reported in two parts – investment in capital assets and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the South Bossier Parish Fire District No. 2's functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. The District has program revenues consisting of operating grants and contributions – non-employer contributions to cost-sharing pension plan, on-behalf payments-supplement pay, and other grant income.

(Continued)

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

This government-wide focus is more on the sustainability of the South Bossier Parish Fire District No. 2 as an entity and the change in the South Bossier Parish Fire District No. 2's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the South Bossier Parish Fire District No. 2 are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the South Bossier Parish Fire District No. 2:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the South Bossier Parish Fire District No. 2:

- a. General fund is the general operating fund of the South Bossier Parish Fire District No. 2. It is used to account for all financial resources except those required to be accounted for in another fund.

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

D. Basis of Accounting

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

1. Accrual:

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

Revenues of the South Bossier Parish Fire District No. 2 consist principally of property taxes, other intergovernmental revenues, donations, and interest income. Property taxes are recorded in the year for which the taxes are levied and budgeted. Property taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The 2024 tax levy is intended to fund the 2025 fiscal year; therefore, the levy has been recorded as a receivable and deferred inflows of resources. The taxes are generally collected in December of the current year and January and February of the ensuing year.

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Interest income is recorded when earned. Donations and other intergovernmental revenues are recorded when received in cash because they are generally not measurable until actually received.

2. Modified Accrual:

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

E. Budgets

The District uses the following budget practices:

1. A preliminary budget for the ensuing year is prepared by the Fire Chief and Officers of the District prior to December 31 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year.
2. After completion of all action necessary to finalize and implement the budget, the budget is adopted by the Board of Commissioners.
3. All budgetary appropriations lapse at the end of each fiscal year.
4. The budget is established and controlled by the board of commissioners at the object level of expenditure. All changes in the budget must be approved by the board.
5. The budget is adopted on a cash basis for the general fund. There were no amendments to the 2024 budget, which are reflected in the accompanying budgetary comparison schedule.

F. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, interest-bearing demand deposits, and money market accounts.

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

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

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G. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	25 years
Vehicles	15 years
Equipment	3 – 25 years

H. Compensated Absences

The District has the following policy relating to vacation and sick leave:

Full-time employees of the District earn 10 days of vacation leave each year. The administrative employees can carryover two days of leave and the firefighters can carryover two shifts of leave into the next year. The cost of leave privileges, computed in accordance with the above policy, is recognized as current-year expenditure within the various funds when leave is actually taken.

I. Use of Estimates

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

J. Deferred Inflows / Outflows of Resources

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

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

K. Net Position

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

L. Fund Balance

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

1. Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted - amounts that can be spent only for specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed - amounts that can be used only for the specific purposes as a result of constraints imposed by the board of commissioners (the District's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the board of commissioners remove those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned - amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed.
5. Unassigned - all amounts not included in other spendable classifications

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

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

M. Fair Value Measurements

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

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

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

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

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

N. Pension Plan

The District is a participating employer in a cost-sharing, multiple-employer, defined benefit pension plans as described in Note 4. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plans fiduciary net position, have been determined on the same basis as they are reported by the plan.

(2) Levied Taxes

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

	Authorized Millage	Levied Millage	Expiration Date
Operating	14.59	14.59	2027
Bond	3.50	3.50	2037

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A special election was held on November 8, 2022 whereby the voters approved a special tax of three and fifty hundredths (3.50) mills on all property subject to tax in the District for a period of fifteen (15) years, beginning with the year 2023 and ending with the year 2037, for the purpose of acquiring, constructing, improving, maintaining or operating fire protection and emergency medical service facilities, vehicles and equipment, including both movable and immovable property, that are to be used to provide fire protection and medical service in the District, including paying the costs of obtaining water for fire protection purposes and salaries of firemen, and all purposes incidental thereto.

(3) Cash, Cash Equivalents and Investments

At December 31, 2024, the District has cash, cash equivalents and investments (book balances) totaling \$3,278,605 as detailed below:

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2024 (book balances) totaled \$1,123,419, of which \$973,028 is shown as restricted. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Restricted cash at December 31, 2024 of \$973,028 consists of unspent debt proceeds of \$802,299 and sinking fund requirements for the Limited Tax Bonds Series 2023 of \$170,729.

B. Investments

At December 31, 2024, the District had investments totaling \$2,155,186 consisting of certificates of deposits with initial maturities greater than 90 days. The certificates of deposits are carried at cost, which approximates market. The investments are presented in the financial statements at fair value using level 2 fair value measure.

C. Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2024, \$2,784,009 of the District's bank balances totaling \$3,284,009 were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging bank's
trust department not in the District's name:

Cash and cash equivalents	\$ 878,805
Investments	<u>1,905,204</u>
Total	<u>\$ 2,784,009</u>

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, as amended by GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged

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securities within 10 days of being notified by the clerk that the fiscal agent has failed to pay deposited funds upon demand.

(4) Pension Plan

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

PLAN DESCRIPTION

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

Eligibility Requirements

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

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

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

Retirement Benefits

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

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

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

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

Disability Benefits

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

Death Benefits

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

Deferred Retirement Option Plan

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

Upon commencement of participation in DROP, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the member's DROP account. Upon termination of employment, a participant in the program has several options to receive their DROP benefit. A member may (1) elect to roll over all or a portion of their DROP balance into another eligible qualified plan, (2) receive a lump-sum payment from the account, (3) receive single withdrawals at the discretion of the member, (4) receive monthly or annual withdrawals, or (5) receive an annuity based on the DROP account balance. These withdrawals are in addition to the member's regular monthly benefit.

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

Initial Benefit Option Plan

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

Cost of Living Adjustments (COLAs)

Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% cost of living increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding

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status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to R.S. 11:241, the board may also grant an increase based on a formula equal to up to \$1 times the total number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. If there are not sufficient funds to fund the benefit at the rate of one dollar per year for such total number of years, then the rate shall be reduced in proportion to the amount of funds that are available to fund the cost-of-living adjustment.

CONTRIBUTIONS

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

Employer and Employee Contributions

According to State statute, employer contributions are actuarially determined each year. For the year ended June 30, 2024, employer and employee contribution rates for members above the poverty line were 33.25% and 10.0%, respectively. The employer and employee contribution rates for those members below the poverty line were 35.25% and 8.0%, respectively. The District's contributions to the System for the years ended December 31, 2024, 2023, and 2022 were \$293,408, \$246,689, and \$241,079, respectively. Included in accrued expenses at December 31, 2024 are contributions for the month of December 2024 totaling \$29,028.

Non-employer contributions

According to state statute, the System also receives insurance premium assessments from the state of Louisiana. The assessment is considered support from a non-employer contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue during the year ended June 30, 2024 and were excluded from pension expense. Non-employer contributions received by the System and attributable to the District during the year ended June 30, 2024 were \$83,975.

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

At December 31, 2024, the District reported a liability of \$1,516,385 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the historical employer contributions. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the System are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts. The allocation method used in determining each employer's proportion was based on each-employer's contribution to the System for the fiscal year ended June 30, 2024 as compared to the total of all combined contributions to the System during the fiscal year ended June 30, 2024. At June 30, 2024, the District's proportion was .2693130%, which was a decrease of .0120430% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the District recognized pension expense of \$259,076, plus employer's amortization of change in proportionate share and the difference between employer contributions and proportionate share of contributions, (\$20,869).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 113,846	\$ 36,063
Changes of assumptions	64,871	141,273
Net difference between projected and actual earnings on pension plan investments	15,339	
Changes in proportion and differences between employer contributions and proportionate share of contributions	75,294	
Employer contributions subsequent to the measurement Date	156,722	
Total	<u>\$ 426,072</u>	<u>\$ 177,336</u>

The District reported a total of \$156,722 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2024, which will be recognized as a reduction in net pension liability in the year ended December 31, 2025.

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

Year	Amount
2025	\$ (15,975)
2026	180,315
2027	(44,312)
2028	(47,821)
2029	17,390
2030	2,417
Total	<u>\$ 92,014</u>

ACTUARIAL METHODS AND ASSUMPTIONS

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

For each year, the actuary determines the reasonable range of the actuarial valuation interest rate, an expected long-term portfolio rate of return and standard deviation based upon the System's target asset allocation and a long-term time horizon. These rates were based on an analysis of the System's portfolio along with expected long-term rates of return, standard deviations of return, and correlations between asset classes collected from several investment consulting firms in addition to the System's investment consultant, NEPC. Using these values and assuming that future portfolio returns are normally distributed, ten thousand trials of returns over the upcoming thirty years were performed.

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The results of these trials were organized into percentiles and a reasonable range equal to the 40th through 60th percentiles was set. For the fiscal year ended June 30, 2024, the reasonable range was set at 6.73% through 7.91% and the Board of Trustees elected to set the System's assumed rate of return at 6.90% for Fiscal 2024.

The remaining actuarial assumptions utilized for this report are based on the results of an actuarial experience study completed September 24, 2020, for the period July 1, 2014 – June 30, 2019, unless otherwise specified in this report. Additional details are given in the actuary's complete 2020 Experience Study Report for the period July 1, 2014 – June 30, 2019 which can be obtained from the Firefighters' Retirement System website at www.ffret.com under the Finance tab Actuarial Reports section. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2024, are as follows:

Valuation Date	June 30, 2024
Actuarial Cost Method for Financial Reporting	Entry Age Normal
Expected Remaining Service Life	7 years, closed period
Investment Rate of Return (discount rate)	6.90% per annum (net of investment expenses, including inflation)
Inflation Rate	2.50% per annum
Salary increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases
Cost of Living Adjustments (COLAs)	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.

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

- For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.
- For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees.
- For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plan Mortality Table for Safety Disabled Retirees.
- In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP-2019 scale.

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

The June 30, 2024, estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation as of January 2024 and the Curran Actuarial Consultant average study for 2024. The consultant average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from several investment consultants and investment management firms. Each consultant's response included nominal expected long-term rates of return. In order to arrive at long-term expected arithmetic real rates of return, the actuary normalized the data received from responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long-term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long-term standard deviation and then reduced the assumption by the long-term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. The target asset allocation changed slightly from June 30, 2023 to June 30, 2024. These changes included a decrease to target weight in U.S. public equity, a decrease to emerging market equity, a decrease to U.S. Core fixed income, and an increase to multisector fixed income. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2024.

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

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

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

SENSITIVITY TO CHANGES IN DISCOUNT RATE

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

	<u>Changes in Discount Rate</u>		
	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net Pension Liability	\$ 2,517,516	\$1,516,385	\$ 681,344

CHANGE IN NET PENSION LIABILITY

The changes in the net pension liability for the year ended December 31, 2024 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience:

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

Differences between Projected and Actual Investment Earnings:

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

Changes of Assumptions or Other Inputs:

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

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Change in Proportion:

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

PLAN FIDUCIARY NET POSITION

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

RETIREMENT SYSTEM AUDIT REPORT

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

(5) Accrued Expenses

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

Accrued payroll	\$ 43,761
Accrued leave	8,154
Payroll liabilities	<u>34,851</u>
Total – governmental funds	86,766
 Accrued interest	 <u>25,729</u>
Total – governmental activities	<u>\$ 112,495</u>

(6) On-Behalf Payments

During the fiscal year ended December 31, 2024, qualified employees of the District received supplemental pay from the State of Louisiana. The District has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled \$88,500 for the year ended December 31, 2024.

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

(7) Capital Assets

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

	Balance at January 1, 2024	Additions	Deletions	Balance at December 31, 2024
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 74,204	\$	\$	\$ 74,204
Construction in process		21,280		21,280
Total capital assets, not being depreciated	74,204	21,280		95,484
Capital assets, being depreciated:				
Buildings	1,663,713			1,663,713
Equipment	603,072	214,897		817,969
Vehicles & improvements	3,401,769	1,197,701	(155,604)	4,443,866
Total capital assets, being depreciated, at historical cost	5,668,554	1,412,598	(155,604)	6,925,548
Less accumulated depreciation:				
Buildings	(1,008,812)	(41,818)		(1,050,630)
Equipment	(492,076)	(35,825)		(527,901)
Vehicles & improvements	(2,612,153)	(214,330)	155,604	(2,670,879)
Total accumulated depreciation	(4,113,041)	(291,973)	155,604	(4,249,410)
Total capital assets, being depreciated, net	1,555,513	1,120,625		2,676,138
Governmental activities capital assets, net	<u>\$ 1,629,717</u>	<u>\$ 1,141,905</u>	<u>\$</u>	<u>\$ 2,771,622</u>

Depreciation expense totaled \$291,973 for the year ended December 31, 2024.

(8) Risk Management

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

(9) Commitment

In 2024, the District signed a contract for \$29,980 with an architect to design plans for a training facility. As of December 31, 2024, \$21,280 has been incurred on the contract and the remaining will be incurred subsequent to December 31, 2024.

In 2023, the District ordered a pumper truck in the amount of \$530,000. The pumper truck will be funded with remaining Series 2023 Limited Tax Bonds.

(Continued)

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Notes to Financial Statements
December 31, 2024
(Continued)

(10) Long-term Liabilities

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct borrowings and direct placements:					
Series 2023 Limited Tax Bonds	\$ 2,000,000	\$	\$ (146,000)	\$ 1,854,000	\$174,000
Other long-term liabilities:					
Net pension liability	<u>1,836,356</u>		<u>(319,971)</u>	<u>1,516,385</u>	
Total long-term liabilities, governmental activities	<u>\$ 3,836,356</u>	<u>\$</u>	<u>\$ (465,971)</u>	<u>\$ 3,370,385</u>	<u>\$ 174,000</u>

In June 2023, the District issued \$2,000,000 of Limited Tax Bonds, Series 2023, which were issued for the purpose of (1) acquiring, constructing, and improving fire protection and emergency medical service facilities, vehicles and equipment, and paying the cost of issuance of the Bonds. Bonds in the amount of \$1,500,000 were purchased by a financial institution, with a stated interest rate of 4.75%. The remaining \$500,000 of bonds were purchased by the Louisiana Public Facilities Authority, with a stated interest rate of 2.375%. The bonds are to be payable from an irrevocable pledge and dedication of the funds to be derived from the levy and collection of a special tax of 3.50 mills, authorized at an election held on November 8, 2022, in which the District is authorized to impose and collect each year through 2037.

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 174,000	\$ 73,601	\$ 247,601
2026	181,000	66,274	247,274
2027	188,000	58,639	246,639
2028	196,000	50,683	246,683
2029	205,000	42,358	247,358
2030-2033	<u>910,000</u>	<u>77,584</u>	<u>987,584</u>
	<u>\$ 1,854,000</u>	<u>\$ 369,139</u>	<u>\$ 2,223,139</u>

(11) Subsequent Events

In 2025, the District awarded a contract in the amount of \$571,795, for the construction of a training facility. The training facility will be funded, in part, with remaining Series 2023 Limited Tax Bonds.

Subsequent events have been evaluated through June 24, 2025, the date the financial statements were available to be issued.

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2024

	Budget Original and Final	Actual Amounts (Budgetary Basis)	Variance - Favorable (Unfavorable)
Revenues			
Ad valorem taxes	\$ 2,829,400	\$ 2,819,062	\$ (10,338)
Intergovernmental	30,000	137,230	107,230
Donations and other income	6,600	16,623	10,023
Interest and dividends	50,000	149,794	99,794
Total revenues	<u>2,916,000</u>	<u>3,122,709</u>	<u>206,709</u>
Expenditures			
Current:			
Public Safety	2,206,000	2,282,330	(76,330)
Capital outlay	559,000	1,433,878	(874,878)
Debt service:			
Principal retirement	248,000	146,000	102,000
Interest charges		100,937	(100,937)
Total expenditures	<u>3,013,000</u>	<u>3,963,145</u>	<u>(950,145)</u>
Excess of revenues over (under) expenditures	(97,000)	(840,436)	(743,436)
Fund balances at beginning of year	<u>97,000</u>	<u>4,084,191</u>	<u>3,987,191</u>
Fund balances at end of year	<u>\$</u>	<u>\$ 3,243,755</u>	<u>\$ 3,243,755</u>

See accompanying note to required supplementary information.

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Notes to Required Supplementary Information
December 31, 2024

The District's budget is adopted on a cash basis for all funds except for certain payroll liabilities which are recorded when incurred. There were no amendments to the 2024 budget. Budget comparison statements included in the accompanying financial statements include the original and adopted budgets. The schedule below reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the budget basis with GAAP basis:

	<u>General Fund</u>
Excess of revenues and other sources	
Over (under) expenditures and other uses (budget basis)	\$ (840,436)
Adjustments:	
Revenue accruals – net	93,798
Expenditure accruals – net	<u>(64,679)</u>
Excess of revenues and other sources	
Over (under) expenditures and other uses (GAAP basis)	<u>\$ (811,317)</u>

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Schedule of Contributions
For the Year Ended December 31, 2024

State of Louisiana Firefighters' Retirement System

<u>Year Ended December 31</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in relation to the statutorily required contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered-employee payroll</u>	<u>Contributions as a percentage of covered-employee payroll</u>
2024	\$ 293,408	\$ 293,408	\$	\$ 882,448	33.25%
2023	246,689	246,689		741,922	33.25%
2022	241,079	241,079		719,882	33.49%
2021	241,405	241,405		731,697	32.99%
2020	216,722	216,722		721,259	30.05%
2019	183,749	183,749		677,281	27.13%
2018	194,412	194,412		733,631	26.50%
2017	180,461	180,461		697,349	25.88%
2016	185,563	185,563		706,833	26.25%
2015	199,406	199,406		707,509	28.18%

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

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Schedule of Proportionate Share of Net Pension Liability
For the Year Ended December 31, 2024

State of Louisiana Firefighters' Retirement System

<u>Year Ended June 30</u>	<u>Proportion of the net pension liability</u>	<u>Proportionate share of the net pension liability</u>	<u>Covered-employee payroll</u>	<u>Proportionate share of the net pension liability as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2024	0.26931%	\$ 1,516,385	\$ 773,903	195.94%	81.68%
2023	0.28136%	1,836,356	755,282	243.14%	77.69%
2022	0.27140%	1,913,749	705,893	271.11%	74.68%
2021	0.29415%	1,042,410	737,800	141.29%	86.78%
2020	0.27899%	1,933,833	694,578	278.42%	72.61%
2019	0.28308%	1,772,634	706,685	250.84%	73.96%
2018	0.29951%	1,722,816	713,092	241.60%	74.76%
2017	0.36480%	1,723,269	699,357	246.41%	73.55%
2016	0.32300%	2,112,732	681,304	310.10%	68.16%
2015	0.32806%	1,770,587	697,191	253.96%	72.45%

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

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2024

Agency Head: Ryan Foster, Fire Chief

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 99,580
State supplemental pay	7,200
Benefits-insurance	15,282
Benefits-retirement	33,990
Membership dues	110
Uniforms	517
Registration fees	400

COOK & MOREHART

Certified Public Accountants

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Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance With Government Auditing Standards

Independent Auditors' Report

Board of Commissioners
South Bossier Parish Fire District No. 2

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and the major fund of the South Bossier Parish Fire District No. 2 as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the South Bossier Parish Fire District No. 2's basic financial statements, and have issued our report thereon dated June 24, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the South Bossier Parish Fire District No. 2'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 South Bossier Parish Fire District No. 2's internal control. Accordingly, we do not express an opinion on the effectiveness of the South Bossier Parish Fire District No. 2's internal control.

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

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

Report on Compliance and Other Matters

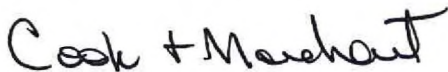
As part of obtaining reasonable assurance about whether South Bossier Parish Fire District No. 2's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is reported in the accompanying Summary Schedule of Audit Findings as item 2024-001.

South Bossier Fire District No 2's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the South Bossier Fire District No. 2's response to the finding identified in our audit and described in the accompanying schedule of audit findings. South Bossier Fire District No. 2's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



Cook & Morehart
Certified Public Accountants
June 24, 2025

South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
Summary Schedule of Audit Findings
December 31, 2024

Summary Schedule of Prior Year Audit Findings

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

Corrective Action Plan for Current Year Audit Findings

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

2024-001 Finding - Budget

Condition: Actual expenditures for the General Fund were more than budgeted expenditures by more than 5%.

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

Cause: The District did not appropriately amend the budget for 2024 for the purchase of two fire trucks which were purchased using bond proceeds.

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

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

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

COOK & MOREHART

Certified Public Accountants

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Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Commissioners
South Bossier Parish Fire District No. 2
Elm Grove, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024 through December 31, 2024. The South Bossier Parish Fire District No. 2's management is responsible for those C/C areas identified in the SAUPs.

The South Bossier Parish Fire District No. 2 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

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

2) *Board or Finance Committee*

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

3) *Bank Reconciliations*

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

4) Collections (excluding electronic funds transfers)

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

5) Non-Payroll Disbursements (excluding card purchases/payments, 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).
- 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;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - 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;
 - 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
 - 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.
- 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
 - 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.
- 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.

Procedures performed. Noted the following exception:

Exception: The employee who is responsible for processing payments can add/modify vendor files, can sign checks, and mails the checks out to vendors.

6) Credit Cards/Debit Cards/Fuel Cards/P-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.
- 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
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B 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.

Procedures performed. No exceptions noted.

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

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

8) Contracts

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

9) Payroll and Personnel

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

10) Ethics

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

11) Debt Service

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

12) Fraud Notice

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

13) Information Technology Disaster Recovery/Business Continuity

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

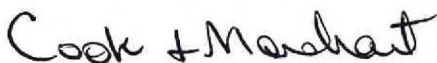
14) Prevention of Sexual Harassment

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

We were engaged by South Bossier Parish Fire District No. 2, 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 South Bossier Parish Fire District No. 2, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



Cook & Morehart
Certified Public Accountants
June 24, 2025



SOUTH BOSSIER PARISH FIRE DISTRICT NO. 2

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ELM GROVE, LA 71051
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911

E-mail: sbfd2chief@gmail.com – Fire Chief
sbfd2deputychief@gmail.com – Deputy Chief
sbfd2admassistant@gmail.com – Administrative Assistant

June 24, 2025

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

The South Bossier Parish Fire District No. 2 submits the following responses to the exceptions identified in the Statewide Agreed-Upon Procedures Report for the year ended December 31, 2024:

Exception: The employee who is responsible for processing payments can add/modify vendor files, can sign checks, and mails the checks out to vendors.

Response: All checks require two signatures. Management reviews bank statements and bank reconciliations monthly.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Foster", followed by a long, horizontal, wavy line.

Ryan Foster
Fire Chief