FINANCIAL REPORT

DECEMBER 31, 2024



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# VIGE, TUJAGUE 🧠 NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2<sup>III</sup> STREET P. O. BOX 1006 EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A. FRANK G. TUJAGUE, C.P.A. DOMINIQUE M. NOEL, C.P.A. TELEPHONE: 337-457-9324 FAX: 337-457-8743

#### INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners St. Landry Parish Fire Protection District No. III Opelousas, Louisiana

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

#### **Opinions**

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

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

#### **Basis for Opinions**

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

# Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation

and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the St. Landry Parish Fire Protection District No. III'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.

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

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

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

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

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

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of employer's share of net pension liability, and schedule of employer pension contributions on pages 34 through 38 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Landry Parish Fire Protection District No. III's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head, as listed in the table of contents, as required by the State of Louisiana, 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 are 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 May 29, 2025, on our consideration of the St. Landry Parish Fire Protection District No. III's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is

solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the St. Landry Parish Fire Protection District No. III'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 St. Landry Parish Fire Protection District No. III's internal control over financial reporting and compliance.

Vige, Tujague & Noël, CPA's

Vige, Dujagne & Novel

Eunice, Louisiana May 29, 2025 BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

# ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III Statement of Net Position December 31, 2024

#### **ASSETS**

Cash and equivalents	\$ 3,670,431
Receivables (net of allowance for uncollectibles):	
Ad valorem	4,214,765
State revenue sharing	170,629
Prepaid items	9,255
Capital assets, net	2,492,486
Total assets	10,557,566
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	980,972
LIABILITIES	
Current liabilities:	
Accounts payable	85,712
Accrued liabilities	31,671
Pension deduction payable	134,687
Note payable - current portion	231,165
Total current liabilities	483,235
Noncurrent liabilities:	
Note payable	246,690
Net pension liability	3,638,503
Total noncurrent liabilities	3,885,193
Total liabilities	4,368,428
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	235,924
Net Position:	
Investments in capital, net of related debt	2,014,631
Unrestricted	4,919,555
Total net position	\$ 6,934,186

The accompanying notes are an integral part of the basic financial statements.

# ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III Statement of Activities For the Year Ended December 31, 2024

		Program				R	et (Expense) evenue and Changes in Net Assets
		Fees	Fines,	Capi	tal and rating	Go	overnmental
Activities	Expenses	for Services Grants			Activities		
Governmental activities: General government Public safety	\$ 4,100,290	\$		\$		\$	(4,100,290)
Commission of the Commission o		-				Ψ	TORRING THE STREET
Total governmental activities	\$ 4,100,290	\$	<u> </u>	\$	<u> </u>	-	(4,100,290)
In	ixes Ad valorem taxe tergovernmental State revenue sha	revenu	es				4,221,864 170,630
	Fire insurance re						147,834
	State supplemen	tal pay					204,755
In	terest and invest	ment ea	arnings				264,310
Ne	onemployer pens	sion con	ntribution	ns			201,496
M	iscellaneous inco	ome					29,905
	Total general r	evenue	S			_	5,240,794
	Change in net	positio	n				1,140,504
Net	position - Decen	nber 31	, 2023				5,793,682
Net	position - Decen	nber 31	, 2024			\$	6,934,186

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

# Balance Sheet Governmental Fund December 31, 2024

#### **ASSETS**

Cash	\$ 3,126,451
	543,980
Certificates of deposit	343,960
Receivables:	4.214.765
Ad valorem	4,214,765
State revenue sharing	170,629
Prepaid items	9,255
Total assets	\$ 8,065,080
LIABILITIES AND FUND BALANCES	
Deferred inflows of resources:	
Unavailable revenues - property taxes	169,443
Total deferred inflows of resources	169,443
Liabilities:	
Accounts payable	85,712
Pension deduction payable	134,687
Accrued liabilities	31,671
Total liabilities	252,070
Fund balances:	
Fund balances - Unassigned	7,643,567
Total fund balances	7,643,567
Total liabilities and fund balances	\$ 8,065,080

The accompanying notes are an integral part of the basic financial statements.

# Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position December 31, 2024

Total fund balance for governmental funds at December 31, 2024		\$ 7,643,567
Total net position reported for governmental activities in the statement of net position is different because:		
The statement of net position reports receivables at their net value. However, receivables not available to pay for current period expenditures are deferred in governmental funds.		
Property tax		169,443
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 42,681	
Building, net of \$870,389 accumulated depreciation	152,841	
Equipment, net of \$4,688,438 accumulated depreciation	2,296,964	2,492,486
Amounts related to pension recognition are not due and payable in the current period and, therefore, are not		
reported in the funds		(2,893,455)
Note Payable		(477,855)
Total net position of governmental activities at December 31, 2024		\$ 6,934,186

# Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund For the Year Ended December 31, 2024

Revenues:	
Taxes:	
Ad valorem	\$ 4,190,407
Intergovernmental:	
State revenue sharing	170,630
Fire insurance rebate	147,834
State supplemental pay	204,755
Interest income	264,310
Other	29,905
Total Revenues	5,007,841
Expenditures:	
Current:	
Public safety	3,814,542
Capital outlay	1,497,879
Payment on debt	263,259
Total Expenditures	5,575,680
Excess (deficiency) of revenues over expenditures	(567,839)
Other financing sources (uses):	
Acquisition of debt	736,989
Total other financing sources (uses)	736,989
Excess of revenues and other sources over	
expenditures and other uses	169,150
Fund balance, beginning	7,474,417
Fund balance, ending	\$ 7,643,567

The accompanying notes are an integral part of the basic financial statements.

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to
the Statement of Activities
For the Year Ended December 31, 2024

Total net changes in fund balance at December 31, 2024 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 169,150
The change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds defer revenues that do not provide current financial resources. However, the statement of activities recognizes such revenues at their net realizable value when earned, regardless of when received.	
Property tax	31,457
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.  Capital outlay which is considered expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances  \$ 1,497,879	
Depreciation expense for the year ended December 31, 2024 (355,384)	1,142,495
Net effect of pension liability recognition	275,257
Acquisition of debt (736,989) Principal payments on debt 259,134	(477,855)
Total changes in net position at December 31, 2024 per Statement of Activities	\$ 1,140,504

#### Notes to Financial Statements

#### Note 1. Summary of Significant Accounting Policies

The accounting and reporting practices of the St. Landry Parish Fire Protection District No. III conform to generally accepted accounting principles of the United States of America as applicable to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, <u>Audits of State and Local Governmental Units</u>, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

# Reporting entity:

The St. Landry Parish Fire Protection District No. III is a component unit of the St. Landry Parish Police Jury. The District was established to provide fire protection for the residents of the District.

#### **Basis of Presentation**

#### Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the St. Landry Parish Fire Protection District No. III, as a whole. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods and services offered by the programs, and (b) requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

#### Notes to Financial Statements

#### Fund Financial Statement:

The District uses one fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

The general fund, a governmental fund type, is the general operating fund of the District. It is used to account for all financial resources of the District except those required to be accounted for in other funds.

#### Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

#### Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus as described below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

#### **Basis of Accounting**

In the government-wide statement of net position and statements of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues,

#### Note to Financial Statements

expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Fees and non tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Available means collectible within the current period or soon enough thereafter to pay current liabilities, usually 60 days. Those revenues susceptible to accrual are ad valorem and state revenue sharing income.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

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

Uncollectible ad valorem taxes are estimated based on prior year's history.

#### Program Revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's revenues.

#### Allocation of indirect expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to these functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

#### Notes to Financial Statements

#### Use of estimates in the preparation of financial statements:

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

#### Concentration of Risks

Concentration of risks with respect the District is subject to the conditions of the limited geographical area of the District.

#### Budgets:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1. Prior to January 1, the Chairman submits to the Board a proposed operating budget for the ensuing year. The operating budget includes proposed expenditures and the means of financing them.
- 2. Public hearings are conducted to obtain taxpayer comments.
- 3. The budget is legally enacted through the passage of a resolution; amendments are also legally enacted through the passage of a resolution.
- 4. The budget for the general fund is adopted on a fund financial statement basis.
- 5. The budget for the general fund is employed as a management control device during the year.

All budget appropriations lapse at year end. Revenues may not legally fall short of budgeted amounts by more than five percent and expenditures may not legally exceed budgeted appropriations by more than five percent at the individual fund level. The District does not use encumbrance accounting.

The budget amounts disclosed in this report are as originally adopted and amended by the Board.

#### Notes to Financial Statements

#### Cash and Cash Equivalents

Cash includes amounts in demand deposit, interest – bearing demand, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the municipality may deposit funds in demand deposits, interest – bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

#### **Interest-bearing Deposits**

Interest-bearing deposits are stated at cost, which approximates market.

#### Compensated absences:

Employees of the District who have been employed for one year earn 18 days of vacation pay. After ten years of service, they earn one additional day of vacation pay for each year worked up to the maximum of 30 days. Neither vacation days nor sick leave can be carried over to future years; therefore, no accruals for compensated absences are necessary.

#### Prepaid Items:

Payments made for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items.

#### Allowances for Uncollectibles

All receivables that historically represent uncollectible accounts are shown net of an allowance for uncollectible. The allowance for uncollectible accounts in the general fund is estimated at \$43,947.

## Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activity column in the government-wide financial statements. All purchased fixed assets are valued at cost or estimated historical cost. The amounts of estimated costs are immaterial to these financial statements. Donated fixed assets are stated at their fair market value on the date donated.

The District maintains a threshold level of \$500 or more for capitalizing capital assets.

#### Notes to Financial Statements

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

Buildings	40 years
Equipment	5 years
Vehicles	7 years

#### Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. There is currently no long-term debt owed by the District.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

# **Equity Classifications**

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

- a. Invested in capital assets, net of related debt Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position Consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

#### Notes to Financial Statements

Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the fire district's board – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the district's "intent" to be used for specific purposes but are neither restricted nor committed. The board and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed,

#### Notes to Financial Statements

assigned, or unassigned fund balances are available, the District considers the amount to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District has provided otherwise in its commitment or assignment actions.

#### Revenues, Expenditures, and Expenses

#### Program Revenues

Program revenues consist of fees, fines, and charges for services related to governmental fund activities.

#### Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

#### Governmental Funds - By Character

In the fund financial statements, governmental funds report expenditures of financial resources.

#### Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB required a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

# Note 2. Cash and Interest-Bearing Deposits

For reporting purposes, cash and investments include cash, demand deposits, time deposits, and government backed mortgage securities. The District may invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks having their principal office in the State of Louisiana, or any other federally insured investment. The District may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount.

#### Notes to Financial Statements

The cash and cash equivalents of the St. Landry Parish Fire Protection District No. III are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits. 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 or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

Bank account balances were as follows:

	Ba	nk Balances	FD	OIC/SIPC	Pledged Securities		Excess/(Shortage		
First Horizon	\$	3,662,584	\$	250,000	\$	9,189,418	\$	5,776,834	

#### **Note 3.** Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District in May or June and are actually billed to the taxpayers in the latter part of the fiscal year. Billed taxes become delinquent on January 1 of the following year and January and February of the ensuing year. The following is a summary of the levied ad valorem taxes:

General corporate purpose: Operations and maintenance

16.75

All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year-end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and, accordingly, have not been recorded as revenue.

#### Notes to Financial Statements

#### Note 4. Accounting Pronouncements

The Government Accounting Standards Board (GASB) has issued the following Statements which will become effective in futures years as shown below:

Statement No. 101, Compensated Absences – This Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. This Statement did not effect the District in the current fiscal year.

#### Note 5. Evaluation of Subsequent Events

The District has evaluated subsequent events through May 29, 2025, the date which the financial statements were available to be issued.

The District's 10.36 ad valorem tax millage was not renewed at the election held in March 2025. The District will hold another election in November 2025, in which a favorable outcome is expected. The current millage does not expire until December 2025.

#### Note 6. Receivables

Receivables at December 31, 2024, consist of the following:

	G	eneral Fund
Ad valorem	\$	4,258,712
State revenue sharing		170,629
Gross Receivables		4,429,341
Less: Allowance for		
uncollectibles	141	(43,947)
Net total receivables	\$	4,385,394
	100	

#### Notes to Financial Statements

Note 7. Capital Assets

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

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 42,681	\$ -	\$ -	\$ 42,681
Other capital assets:				
Buildings	1,023,230		-	1,023,230
Equipment	5,487,523	1,497,879		6,985,402
Totals	6,553,434	1,497,879		8,051,313
Less accumulated depreciation				
Buildings	854,874	15,515		870,389
Equipment	4,348,569	339,869	_	4,688,438
Total accumulated depreciation	5,203,443	355,384	-	5,558,827
Governmental activities,				
capital assets, net	\$ 1,349,991	\$ 1,142,495	\$ -	\$ 2,492,486

#### Note 8. Pension Plan

Substantially all of the employees (34) of the St. Landry Parish Fire Protection District No. III are members of the Firefighters Retirement System.

#### Firefighters' Retirement System

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

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

#### Notes to Financial Statements

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 fulltime firefighters, eligible employees of the retirement system, or any person in a position as defined in the municipal fire and police civil service system that earns at least \$375 per month, excluding state supplemental pay, and is employed by a fire department of any municipality, parish, or fire district of that 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 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 annual 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 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.

Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven 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).

#### Notes to Financial Statements

#### 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) & (C).

#### Deferred Retirement Option Plan

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

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No payments may be made from the deferred retirement option plan 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 a DROP account.

# Cost of Living Adjustments (COLAs)

Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to R.S. 11:241, the board may also grant an increase based on a formula equal to up to \$1 times the total number of years of credited service accrued at retirement or at death of the member or retiree 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 o f years, then the rate shall be reduced in proportion to the amount of funds that are available to fund the cost-of-living adjustment.

#### Notes to Financial Statements

<u>Funding Policy</u> - State statute requires covered employees to contribute 10.00 percent of their salaries to the system. The District is required to contribute 33.25 percent of covered employees' salaries from January through June and 33.25 percent of covered employees' salaries from July through December. The employer and employee contribution rates for those members below the poverty line were 35.25% and 8.00%, respectively. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The District's contribution to the System for the years ending December 31, 2024 and 2023 were \$666,507 and \$573,845, respectively, equal to the required contributions for the year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Firefighters' Retirement System, 3100 Brentwood Drive, Baton Rouge, Louisiana 70809-1752, or by calling (225) 925-4060.

# 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 \$3,638,504 for its proportionate share of the net pension liability for the FRS plan. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the FRS pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the District's proportion was 0.646205%, which was an increase of 0.015318% from its proportion measured as of June 30, 2023.

# Non-employer contributions

According to state statute, the System receives insurance premium assessments from the state of Louisiana. The assessment is considered support from a non-employer contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions were recognized as revenue during the year ended June 30, 2024, and were excluded from pension expense. Non-employer contributions received by the System during the year ended June 30, 2024, were \$201,496.

#### Notes to Financial Statements

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		red Outflows Resources	Deferred Inflows of Resources	
Differences between expected	Φ.	272.160	•	(0.5 522)
and actual experience	\$	273,169	\$	(86,532)
Changes in assumptions		155,656		-
Net difference between projected and actual earnings on pension plan investments		36,805		
Changes in proportion and differences between employer contributions and		30,003		
proportionate share of contributions		178,293		(149,392)
Employer contributions subsequent to measurement date		337,049		
Total	\$	980,972	\$	(235,924)

The District reported a total of \$337,049 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 June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ended June 30:	FRS
2025	800
2026	486,046
2027	(59,250)
2028	(36,031)
2029	76,261
2030	39,070
Total	\$ 506,896

#### Notes to Financial Statements

#### **Actuarial Assumptions**

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

	FRS	
Valuation date	June 30, 2024	
Actuarial cost method	Entry age normal cost	
Expected remaining service life	7 years, closed period	
Investment rate of return	6.9% per annum	
Inflation rate	2.500% per annum	
Salary increases	Vary from 14.10% in the first two years of service to 5.20% after 3 years of service	
Cost of living adjustments	Only those previously granted	

The mortality rate assumptions were updated in fiscal year 2024 to reflect changes from the recent experience study and rates set in the Pub-2010 Public Retirement Plans mortality tables, as compared to the RP-2000 Combined Healthy and Disabled Lives tables that were used for the previous valuation. For the June 30, 2024 valuation, assumptions for mortality rates were based on the following:

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

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.

#### Notes to Financial Statements

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 assets allocation as of January 2024 and the Curran Actuarial Consulting average study for 2024. The consultant's average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from several investment consultants and investment management firms. Each consultant's response included nominal expected long term rates of return. In order to arrive at long-term expected arithmetic real rates of return, the actuary normalized the data received from responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return 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 tables:

	Asset Type	Target Asset Allocation	Long-Term Expected Real Rate of Return
	U.S. Equity	28.50%	6.24%
Equity	Non-U.S. Equity	11.00%	6.36%
	Global Equity	10.00%	6.02%
	Emerging Market Equity	4.50%	8.26%
	U.S. Core Fixed Income	22.00%	2.09%
Fixed Income	U.S. Tips	2.00%	2.00%
rixed income	Multi-sector Fixed Income	4.00%	2.34%
	Emerging Market Debt	2.00%	4.08%
Alternatives	Real Estate	4.00%	4.85%
	Real Assets	3.00%	5.93%
	Private Equity/Private Debt	9.00%	9.77%

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be

#### Notes to Financial Statements

made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the District's proportionate share of the net pension liability (NPL) using the discount rate of each Retirement System as well as what the District's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the Retirement Systems:

		Current	
FRS	1% Decrease	Discount	1% Increase
Rates	5.90%	6.90%	7.90%
NPL	\$ 6,040,677	\$ 3,638,503	\$ 1,634,858

The components of the net position liability of the System's employers as of December 31, 2024 and 2023, are as follows:

	2023	2024
	Plan A	Plan A
Total Pension Liability	\$ 18,456,448	\$ 19,859,222
Plan Fiduciary Net Position	(14,338,771)	(16,220,719)
Total Net Pension Liability	\$ 4,117,677	\$ 3,638,503
Plan Fiduciary Net Position as a % of Total Pension Liability	77.69%	81.68%

The System issued a standalone audit report on its financial statements for the year ended June 30, 2024. Access to the audit report can be found on the Legislative Auditor's official website, www.lla.la.gov and the System's website, www.ffret.com.

#### Note 9. Contingent Liability

As of December 31, 2024, the District is not aware of any violation with respect to environmental issues, which may arise from holdings the District has in fixed assets.

#### Notes to Financial Statements

#### Note 10. On-Behalf Payments of Salaries and Fringe Benefits

The State of Louisiana paid the District's firefighters supplemental pay of \$204,755. These amounts are included in the accompanying financial statements as revenues and expenditures.

## Note 11. Lease Purchase Agreement

On April 25, 2024, the District entered into a three-year lease purchase agreement with Leasing 2, Inc., to finance the purchase of a new Spartan FC94 3000-gallon pumper/tanker truck, in the amount of \$736,989. The lease payment schedule is as follows:

Beginning Balance		Additions	Principal Payments	Ending Balance
\$	13 32 0	\$ 736,989	\$ 259,134	\$ 477,855
		Payment	Principal	Interest
	2025	\$ 263,259	\$ 231,165	\$ 32,094
	2026	263,259	246,690	16,569
		\$ 526,518	\$ 477,855	\$ 48,663

REQUIRED SUPPLEMENTARY INFORMATION

# ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (Budgetary Basis) and Actual - General Fund For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes:				
Ad valorem	\$ 3,916,244	\$ 3,895,022	\$ 4,190,407	\$ 295,385
Intergovernmental	525,755	531,002	523,219	(7,783)
Interest income	180,000	251,912	264,310	12,398
Other	-	24,297	29,905	5,608
Total revenues	4,621,999	4,702,233	5,007,841	305,608
Expenditures:				
Current:				
Public safety	3,834,683	3,798,740	3,814,542	(15,802)
Capital outlay	250,000	1,497,849	1,497,879	(30)
Payment on debt		263,000	263,259	(259)
Total expenditures	4,084,683	5,559,589	5,575,680	(16,091)
Excess (deficiency) of revenues				
over expenditures	537,316	(857,356)	(567,839)	289,517
Other financing sources (uses):				
Acquistion of debt	-	736,989	736,989	
Total other financing sources (uses)		736,989	736,989	<u> </u>
Excess of revenues and other sources over expenditures and				
other uses	537,316	(120,367)	169,150	289,517
Fund balance, beginning	6,093,079	7,474,417	7,474,417	<u> </u>
Fund balance, ending	\$ 6,630,395	\$ 7,354,050	\$ 7,643,567	\$ 289,517

See notes to required supplementary information.

#### Budgetary Comparison Schedule - General Fund For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	F	Variance avorable nfavorable)
Current:					
Public safety -					
Salaries and related benefits	\$ 2,799,550	\$ 2,799,333	\$ 2,779,528	\$	19,805
Civil Service Board	2,000	1,000	880		120
Per diem	10,280	6,880	6,864		16
Telephone and utilities	70,000	59,699	61,824		(2,125)
Insurance	463,635	477,064	488,678		(11,614)
Uniforms and cleaning	15,000	3,309	12,025		(8,716)
Equipment maintenance and					
supplies	255,000	240,000	229,051		10,949
Building maintenance and supplies	35,000	17,000	17,523		(523)
Professional fees	39,000	31,135	30,544		591
Office supplies	15,000	30,508	30,086		422
Pension expense	125,218	123,847	134,687		(10,840)
Other	5,000	8,965	22,852		(13,887)
Capital outlays	250,000	1,497,849	1,497,879		(30)
Payment on debt		263,000	263,259		(259)
Total expenditures	\$ 4,084,683	\$ 5,559,589	\$ 5,575,680	\$	(16,091)
		the second second			

#### Schedule of Employer's Share of Net Pension Liability For the Year Ended December 31, 2024\*

	Fiscal Year	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of It's Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
FRS	2024	0.646205	\$ 3,638,503	\$ 1,860,793	195.54%	81.68%
FRS	2023	0.630887	\$ 4,117,677	\$ 1,609,104	255.58%	77.69%
FRS	2022	0.60529	\$ 4,268,077	\$ 1,541,228	276.93%	74.68%
FRS	2021	0.600322	\$ 2,127,452	\$ 1,493,010	142.49%	86.78%
FRS	2020	0.601228	\$ 4,167,442	\$ 1,463,010	284.85%	72.61%
FRS	2019	0.603328	\$ 3,777,986	\$ 1,497,454	252.29%	73.96%
FRS	2018	0.0661177	\$ 3,803,142	\$ 1,701,155	223.56%	74.76%
FRS	2017	0.784511	\$ 4,496,699	\$ 1,897,458	236.99%	73.55%
FRS	2016	0.839793	\$ 5,493,005	\$ 1,888,151	290.92%	68.15%
FRS	2015	0.832434	\$ 4,492,740	\$ 1,644,495	273.20%	72.44%

<sup>\*</sup>The amounts presented have a measurement date of the previous fiscal year.

This schedule will contain ten years of historical information once such information becomes available.

#### Schedule of Employer's Pension Contribution For the Year Ended December 31, 2024

	Fiscal Year	F	ntractually Required ontribution	in l	ntributions Relation to ontractual Required ontribution	Defic	ibution ciency cess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
FRS	2024	\$	666,507	\$	666,507	\$	-	\$ 2,004,533	33.25%
FRS	2023	\$	573,845	\$	573,845	\$	-	\$ 1,725,850	33.25%
FRS	2022	\$	538,903	\$	538,903	\$	-	\$ 1,609,104	33.49%
FRS	2021	\$	508,848	\$	508,848	\$	4	\$ 1,541,228	33.02%
FRS	2020	\$	448,138	\$	448,138	\$		\$ 1,493,075	30.01%
FRS	2019	\$	397,136	\$	397,136	\$	1.	\$ 1,463,010	27.15%
FRS	2018	\$	396,825	\$	396,825	\$		\$ 1,497,454	26.50%
FRS	2017	\$	439,798	\$	439,798	\$	-	\$ 1,701,159	25.85%
FRS	2016	\$	498,021	\$	498,021	\$	-	\$ 1,897,458	26.25%
FRS	2015	\$	533,349	\$	533,349	\$	-	\$ 1,888,151	28.25%
FRS	2014	\$	472,860	\$	472,860	\$		\$ 1,644,495	28.75%

This schedule will contain ten years of historical information once such information becomes available.

#### Notes to Required Supplementary Information

#### (1) Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

#### (2) Budgetary Practices

The District prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

#### (3) Stewardship, Compliance and Accountability

Excess of Expenditures over Appropriations. The following individual fund had actual expenditures in excess of appropriations for the year ended December 31, 2024.

	Original	Final			
	Budget	Budget	Actual		Excess
Total Expenditures	\$ 4,084,683	\$ 5,559,589	\$ 5,575,680	\$	(16,091)

#### (4) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs 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 plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plans.

#### VIGE, TUJAGUE 🥯 NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2™ STREET P. O. BOX 1006 EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A. FRANK G. TUJAGUE, C.P.A. DOMINIQUE M. NOEL, C.P.A. TELEPHONE: 337-457-9324 FAX: 337-457-8743

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

To the Board of Commissioners St. Landry Parish Fire Protection District No. III Opelousas, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of St. Landry Parish Fire Protection District No. III, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise St. Landry Parish Fire Protection District No. III's basic financial statements, and have issued our report thereon dated May 29, 2025.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered St. Landry Parish Fire Protection District No. III's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of St. Landry Parish Fire Protection District No. III's internal control. Accordingly, we do not express an opinion on the effectiveness of St. Landry Parish Fire Protection District No. III's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 St. Landry Parish Fire Protection District No. III'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of This Report**

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

Vige, Tujague & Noël, CPA's

Eunice, Louisiana May 29, 2025

Schedule of Findings and Responses Year Ended December 31, 2024

We have audited the financial statements of St. Landry Parish Fire Protection District No. III as of and for the year ended December 31, 2024 and have issued our report dated May 29, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2024 resulted in an unmodified opinion.

#### Section I Summary of Auditors' Reports

A.	Report on Internal Control and Compliance Material to the Financial Statements
	Internal Control
	Material Weaknesses Yes X No
	Significant Deficiencies Yes _X_ None reported
	Compliance
	Compliance Material to Financial Statements Yes _X_ No
	No separate management letter was issued.
Sec	tion II Financial Statement Findings
	None.

#### Section III Internal Control and Compliance Material to Federal Awards

There were no federal awards for the year ended December 31, 2024.

Schedule of Prior Year Findings Year Ended December 31, 2024

#### I Internal Control and Compliance Material to the Financial Statements

2023-001 – Shortage of Pledged Securities

Condition: Bank account balances at December 31, 2023 exceeded FDIC Insurance and pledged securities from Home Bank by \$272,648.

Criteria: Under state law, bank deposit 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 or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the District's name.

Cause: The Bank did not categorize the account as a public entity account and therefore, did not obtain pledged securities for the excess balance that was not covered by FDIC.

Effect: At December 31, 2023, the District had cash in Home Bank in the amount of \$522,648 and insurance of \$250,000, resulting in a shortage of pledges in the amount of \$272,648.

Views of Responsible Officials and Planned Corrective Action: Management is aware of this inadequacy and has contacted the bank to correct the account type error and obtain security pledges going forward.

Status: This findings is cleared.

#### II Internal Control and Compliance Material to Federal Awards

The prior year's report did not include any federal awards.

#### III Management Letter

The prior year's report did not include a management letter.

## ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III Schedule of Per Diems For the Year Ended December 31, 2024

	Per Diem	Mileage	Total
Charles Breaux	\$ -	\$ 25	\$ 25
Richard Joubert		35	35
Willie Pickens, Jr.	960	30	990
Ricky D Ducote	800	77	877
Gregory Lafleur	1,040	44	1,084
Dominic Vidrine	640	110	750
Lachanna McCartney	800	57	857
Joshua F Lazard		7	7
Donald Robinson, Sr.	1,040	100	1,140
Ronald P Milburn	880	36	916
Wilfred Kinnerson	80	13	93
Ryan E Chachere	80	10	90
Total	\$ 6,320	\$ 544	\$ 6,864

The schedule of compensation paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. The board members receive \$80 for each regular or special meeting they attend and \$30 for each committee meeting they attend.

#### ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III Schedule of Compensation, Benefits and Other Payments to Agency Head For the Year Ended December 31, 2024

Agency Head Name: Matthew Rabalais, Chief

Service Period: 12 months

Amount
\$ 103,202
7,200
36,709
7,140
\$ 154,251

# ST. LANDRY PARISH FIRE PROTECTION DISTRICT NO. III STATEWIDE AGREED-UPON PROCEDURES REPORT YEAR ENDED DECEMBER 31, 2024

#### VIGE, TUJAGUE 🥯 NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2™ STREET P. O. BOX 1006 EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A. FRANK G. TUJAGUE, C.P.A. DOMINIQUE M. NOEL, C.P.A. TELEPHONE: 337-457-9324 FAX: 337-457-8743

#### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management and Board of Commissioners of the St. Landry Parish Fire Protection District No. III 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. St. Landry Parish Fire Protection District No. III's management is responsible for those C/C areas identified in the SAUPs.

St. Landry Parish Fire Protection District No. III 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

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
  - Budgeting, including preparing, adopting, monitoring, and amending the budget.
    - Written policies and procedures were obtained and do address the functions noted above.
  - ii. **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure

compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and do address the functions noted above.

- iii. **Disbursements**, including processing, reviewing, and approving.

  Written policies and procedures were obtained and do address the functions noted above.
- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

The entity does not have written policies and procedures addressing receipts of revenue.

v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and do address the functions noted above.

vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and do address the functions noted above.

vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and do address the functions noted above.

viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Written policies and procedures were obtained and do address the functions noted above.

Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Written policies and procedures were obtained and do address the functions noted above.

x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Written policies and procedures were obtained and do address the functions noted above.

xi. Information Technology Disaster Recovery/Business Continuity, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and do address the functions noted above.

xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and do address the functions noted above.

#### 2) Board or Finance Committee

No exceptions in year one of testing cycle. Not required to test in current year.

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
  - Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-

- to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds.
- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

#### 3) Bank Reconciliations

No exceptions in year one of testing cycle. Not required to test in current year.

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
  - Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
  - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

#### 4) Collections (excluding electronic funds transfers)

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

Obtained a listing of deposit sites from management and representation that the listing is complete.

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
  - Employees responsible for cash collections do not share cash drawers/registers;

The chief is the only employee that collects cash.

ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., prenumbered receipts) to the deposit;

The employee responsible for collecting cash is responsible for preparing/making bank deposits but all receipts are in the form of an advalorem check.

iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

The employee responsible for collecting cash is not responsible for posting collections to the general ledger.

The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

The employee responsible for collecting cash is not responsible for reconciling cash collections to the general ledger.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

Employees who have access to cash are covered by the bond or insurance policy for theft.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank

statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- Observe that receipts are sequentially pre-numbered.
   There are no receipts given out. All checks are received by mail.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

  Traced receipts or collection documentation to the deposit slip with no exceptions.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.

  Traced the deposit slip total to the actual deposit per the bank statement with not exceptions.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - Deposits selected were not made with one business day of receipt at the collection location. We were unable to determine the number of days from receipt to deposit. All revenue receipts are in the form of a check received from the Sheriff for ad valorem collections. The chief collects all checks and makes one deposit each month.
- v. Trace the actual deposit per the bank statement to the general ledger.

  <u>Traced the actual deposit per the bank statement to the general ledger noting no exceptions.</u>

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

No exceptions in year one of testing cycle. Not required to test in current year.

- 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

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

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

No exceptions in year one of testing cycle. Not required to test in current year.

- 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
  - 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 #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

No exceptions in year one of testing cycle. Not required to test in current year.

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid

expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
- If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

#### 8) Contracts

No exceptions in year one of testing cycle. Not required to test in current year.

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
  - Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
  - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the

contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

#### 9) Payroll and Personnel

No exceptions in year one of testing cycle. Not required to test in current year.

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
  - Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

#### 10) Ethics

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

- Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - All employees selected for testing have documentation to demonstrate that the required hour of ethics training was completed during the calendar year.
- b. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
  - There were no changes made to the entity's ethics policy during the fiscal period.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.
  - An ethics designee has been appointed.

#### 11) Debt Service

No exceptions in year one of testing cycle. Not required to test in current year.

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

#### 12) Fraud Notice

No exceptions in year one of testing cycle. Not required to test in current year.

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative

- auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

#### 13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
  - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network. We performed the procedure and discussed the results with management.

- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
  - Hired before June 9, 2020 completed the training; and
  - Hired on or after June 9, 2020 completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

#### 14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
  - All employees selected for testing have documentation demonstrating the completion of required sexual harassment training during the calendar year.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
  - Observed that the entity has posted it sexual harassment policy and complaint procedure.
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
  - Number and percentage of public servants in the agency who have completed the training requirements;
    - Observed that the report included requirements as stated above.
  - ii. Number of sexual harassment complaints received by the agency;
    Observed that the report included requirements as stated above.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
  - Observed that the report included requirements as stated above.
- Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - Observed that the report included requirements as stated above.
- v. Amount of time it took to resolve each complaint.
  - There were no complaints.

#### Management's Response

Management of the St. Landry Parish Fire Protection District No. III concurs with the exceptions and is working to address the deficiencies identified.

We were engaged by St. Landry Parish Fire Protection District No. III 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 St. Landry Parish Fire Protection District No. III 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.

Vige, Tujague & Noel
Eunice, Louisiana

May 29, 2025