

**RED RIVER PARISHWIDE
FIRE PROTECTION DISTRICT**

**FINANCIAL REPORT
December 31, 2024**

Red River Parishwide Fire Protection District
Financial Report
December 31, 2024

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RED RIVER PARISHWIDE FIRE PROTECTION DISTRICT

P. O. Box 454
Coushatta, LA 71019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Red River Parishwide Fire Protection District, Coushatta, Louisiana, (hereafter referred to as the "District") we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District as of and for the year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements and supplemental information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

The District experienced an increase in its net position of \$1,109,912 during the fiscal year ended December 31, 2024. As of December 31, 2024, the assets of the District exceeded its liabilities by \$5,142,799. \$2,826,676 of this amount is reported as "unrestricted net position" and represents the amount available to be used to meet the District's ongoing obligations to the citizens of Red River Parish.

Ad valorem tax revenues increased \$36,371 from \$2,279,853 in 2023 to \$2,316,224 in 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional required supplemental information (budgetary schedule) and other reports in addition to the basic financial statements. These components are described below:

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the District - the **Government-wide Financial Statements** and the **Fund Financial Statements**. These financial statements also include the **Notes to the Financial Statements** that explain some of the information in the financial statements and provide additional detail.

Government-wide Financial Statements

The government-wide financial statements provide a broad view of the District's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the District's financial position, which assists users in assessing the District's economic condition at the end of the year. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting similar to methods used by most businesses. These statements report all revenues and expenses connected with the year even if cash has not been received or paid and include all assets of the District as well as all liabilities (including long-term debt). The government-wide financial statements include two statements:

- ***The Statement of Net Position*** presents all of the District's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the District's net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

- **The Statement of Activities** presents information showing how the District's net position changed during the most recent year using the full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years. This statement also presents a comparison between direct expenses and program revenues for each function of the District.

Both of the above financial statements present the governmental activities of the District.

Governmental Activities - The activities in this section are mostly supported by taxes and intergovernmental revenues (grants). The services provided by the District fall into this category.

The government-wide financial statements can be found immediately following the independent auditor's report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

Governmental funds: The basic services provided by the District are financed through the governmental fund. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the year. Such information may be useful in evaluating the District's near-term financing requirements. This approach is known as using the flow of financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the District's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the District.

Because the focus of the governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, users may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provides a reconciliation to facilitate this comparison between the governmental fund and the governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The District has one governmental fund, the General Fund, which is considered a major fund for presentation purposes.

The basic governmental fund financial statements can be found immediately following the government-wide financial statements.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information. This section includes a budgetary comparison schedule for the General Fund. Following the required supplemental information are other reports that are provided to show additional details.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

Net Position

Net position may serve over time as a useful indicator of the District's financial position. The District's net position totaled \$5,142,799 and \$4,032,886 at the end of fiscal years 2024 and 2023, respectively.

At December 31, 2024, \$2,316,123 (45%) of the District's net position reflects the District's investment in capital assets such as land, buildings, vehicles, and station equipment, less any related debt used to acquire those assets that is still outstanding, compared to \$2,340,891 (58%) at the end of the prior fiscal year. The District uses these capital assets to provide services to the citizens of Red River Parish; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the liabilities.

A summary of the statement of net position is as follows:

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
ASSETS-		
Current and Other Assets	\$4,366,418	\$3,404,606
Capital assets, Net of Accumulated Depreciation	<u>3,431,123</u>	<u>3,529,891</u>
Total Assets	<u>\$7,797,541</u>	<u>\$6,934,497</u>
Deferred Outflows of Resources	<u>\$ 196,166</u>	<u>\$ 431,511</u>
LIABILITIES-		
Current Payables	\$ 100,478	\$ 121,409
Long-term Debt	1,040,000	1,115,000
Compensated Absences	11,951	12,167
Net Pension Liability	<u>932,355</u>	<u>1,303,214</u>
Total Liabilities	<u>\$2,084,784</u>	<u>\$2,551,790</u>
Deferred Inflows of Resources	<u>\$ 766,124</u>	<u>\$ 781,332</u>
NET POSITION-		
Net Investment in Capital Assets	\$2,316,123	\$2,340,891
Unrestricted	<u>2,826,676</u>	<u>1,691,995</u>
Total Net Position	<u>\$5,142,799</u>	<u>\$4,032,886</u>

Changes in Net Position

The District's net position increased by \$1,109,912 and \$834,421 during the years ended December 31, 2024 and 2023, respectively.

Approximately \$2,558,526 was derived from general revenues including ad valorem taxes, miscellaneous revenues, and interest during 2024 compared to \$2,460,164 during the prior year.

A summary statement of activities is as follows:

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Program Revenues-		
Grants and contributions	\$ 135,222	\$ 145,109
General Revenues:		
Ad valorem taxes	2,316,224	2,279,853
Interest & Dividends	175,644	97,754
Miscellaneous	15,025	24,086
Nonemployee Pension Revenue	<u>51,633</u>	<u>58,471</u>
Total Revenues	\$2,693,748	\$2,605,273
Expenses-		
Public safety	<u>1,583,836</u>	<u>1,770,852</u>
Change in Net Position	\$ 1,109,912	\$ 834,421
Net Position-Beginning of Year	<u>4,032,887</u>	<u>3,198,465</u>
Net Position-End of Year	<u>\$5,142,799</u>	<u>\$4,032,886</u>

FINANCIAL ANALYSIS OF THE INDIVIDUAL FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund

The focus of the District's governmental fund is to provide information on the near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the year.

At the end of the current fiscal year, the District's governmental fund reported an ending fund balance of \$4,340,940, an increase of \$983,742 from the prior year. Unassigned fund balance is \$4,336,795 which is available for spending at the District's discretion.

GENERAL FUND BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the District complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.).

The District's budget was amended once during the year. Expenditures were \$142,86 less than the budgeted amounts. Revenues, from all sources, available for expenditure were \$42,715 more than the budgeted amounts.

CAPITAL ASSET ADMINISTRATION

The District's investment in capital assets for its governmental activities as of December 31, 2024 totaled \$7,137,055, net of accumulated depreciation of \$3,705,932, leaving a book value of \$3,431,123. This investment in capital assets consists of land, buildings, vehicles, and station equipment. Depreciation charges for the year 2024 totaled \$162,595.

DEBT ADMINISTRATION

At the end of the current fiscal year, the District had total long-term liabilities of \$2,059,306. Long-term liabilities of the District includes a net pension liability of \$932,355 based on actuarially determined amounts in accordance with GASB No. 68, compensated absences of \$11,951, and bonds payable of \$1,115,000.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The primary revenue source for the District is property taxes.

The following economic factors were considered when the budget for the fiscal year ended December 31, 2025 was prepared:

- The District expects property tax to remain the same during 2025.
- The District expects administrative and operating expenses to remain consistent from prior year.

CONTACTING THE DISTRICT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Red River Parishwide Fire Protection District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District at P. O. Box 454, Coushatta, Louisiana 71019.

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INDEPENDENT AUDITORS' REPORT

Red River Parishwide Fire Protection District
P. O. Box 454
Coushatta, LA 71019

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of the Red River Parishwide Fire Protection District (District), a component unit of the Red River Parish Police Jury, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about District's ability to continue as a going concern for twelve months beyond the financial statements 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedule of Employer's Share of Net Pension Liability, and Schedule of Employer's Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer 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 or Chief Executive Officer is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway, & Todtenbier
Natchitoches, Louisiana

June 24, 2025

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Red River Parishwide Fire Protection District
Statement of Net Position
December 31, 2024

	Governmental Activities
ASSETS:	
Current Assets:	
Cash & Cash Equivalents	\$ 2,119,708
Receivables	2,242,565
Prepaid Insurance	4,145
Total Current Assets	<u>\$ 4,366,418</u>
Non-current Assets:	
Capital Assets (net)	3,431,123
Total Assets	<u>\$ 7,797,541</u>
Deferred Outflows of Resources:	
Pensions	<u>\$ 196,166</u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$ 9,254
Payroll Liabilities	16,224
Current Portion of Long-term Debt	75,000
Total Current Liabilities	<u>\$ 100,478</u>
Long-Term Liabilities	
Long-Term Debt - Net of current portion	\$ 1,040,000
Compensated Absences payable	11,951
Net Pension Liability	932,355
Total Long-Term Liabilities	<u>\$ 1,984,306</u>
Total Liabilities	<u>\$ 2,084,784</u>
Deferred Inflows of Resources	<u>\$ 766,124</u>
NET POSITION:	
Net Investment in Capital Assets	\$ 2,316,123
Unrestricted	2,826,676
Total Net Position	<u><u>\$ 5,142,799</u></u>

See accompanying notes and independent auditor's report.

Red River Parishwide Fire Protection District
Statement of Activities
December 31, 2024

Activities	Expenses	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Governmental Activities:			
General Government	\$ 1,583,836	\$ 135,222	\$ (1,448,614)
General Revenues:			
Taxes-			
Ad Valorem			\$ 2,316,224
Interest & Dividends			175,644
Miscellaneous			15,025
Nonemployer Pension Revenue			51,633
			<u>2,558,526</u>
Total General Revenues			\$ 2,558,526
Change in Net Position			\$ 1,109,912
Net Position-January 1, 2024			<u>4,032,887</u>
Net Position, December 31, 2024			\$ <u>5,142,799</u>

See accompanying notes and independent auditor's report.

FUND FINANCIAL STATEMENTS

Red River Parishwide Fire Protection District
Balance Sheet - Governmental Fund
December 31, 2024

	<u>Governmental Activities</u>
ASSETS:	
Cash & Cash Equivalents	\$ 2,119,708
Receivables	2,242,565
Prepaid Insurance	<u>4,145</u>
Total Assets	<u>\$ 4,366,418</u>
LIABILITIES:	
Accounts Payable	\$ 9,254
Payroll Liabilities	<u>16,224</u>
Total Liabilities	<u>\$ 25,478</u>
FUND BALANCE:	
Nonspendable	\$ 4,145
Unassigned	<u>4,336,795</u>
Total Fund Balance	<u>\$ 4,340,940</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 4,366,418</u></u>

See accompanying notes and independent auditor's report.

Red River Parishwide Fire Protection District
Statement of Revenues, Expenditures, and Changes in Fund Balance-
Governmental Fund
December 31, 2024

	<u>Governmental Activities</u>
REVENUES:	
Taxes-	
Ad Valorem Taxes	\$ 2,316,224
Intergovernmental-	
Fire Insurance Rebate	48,159
Fire Recovery	36,663
State Supplemental Pay	50,400
Miscellaneous-	
Interest/Dividends	175,644
Other/Donations	15,025
Total Revenues	<u>\$ 2,642,115</u>
EXPENDITURES:	
Current-	
Public Safety-	
Payroll & Related Benefits	\$ 1,035,006
Insurance	58,132
Professional Services	40,837
Utilities	35,351
Repairs & Maintenance	121,713
Training	9,704
Office Supplies & Expenses	30,099
Fire Fighting Supplies	52,942
Fuel	16,487
Ad Valorem Pension Expenditures	82,916
Capital Outlay	63,828
Debt Service	111,358
Total Expenditures	<u>\$ 1,658,373</u>
Excess of Revenues over Expenditures	\$ 983,742
Fund Balance - Beginning of the Year	<u>3,357,197</u>
Fund Balance - End of Year	<u><u>\$ 4,340,939</u></u>

See accompanying notes and independent auditor's report.

Red River Parishwide Fire Protection District
Reconciliation of Governmental Fund
Balance Sheet to the Statement of Net Position
December 31, 2024

Total Fund Balance for the Governmental Fund	\$ 4,340,940
Amounts reported for Governmental Activities in the State of Net Positions are different because:	
Capital Assets used in the Governmental Activities are not current financial resources and, therefore, are not reported in the Governmental Fund Balance Sheet-	
Capital Assets (Net)	7,137,055
Less, Accumulated Depreciation	(3,705,932)
Deferred Outflows of Resources used in Governmental Activities are not financial resources and therefore are not reported in the Governmental Fund Balance Sheet-	196,166
Long-term Liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet-	
Bonds Payable	(1,115,000)
Compensated Absences Payable	(11,951)
Net Pension Liability	(932,355)
Deferred Inflows of Resources are not due and payable in the current period and, therefore, are not reported in the Governmental Fund Balance Sheet-	<u>(766,124)</u>
Net Position of Governmental Activities	<u>\$ 5,142,799</u>

Red River Parishwide Fire Protection District
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
December 31, 2024

Net change in fund balance-governmental fund	\$	983,742
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds. These timing differences are summarized below:

Capital Expenditures		63,828
Deprecation Expense	(162,596)	
Long-term Debt Payments	74,000	
Non-Employer Pension Revenue	51,633	
Pension Expense	99,089	
Accrued Compensated Absences	<u>216</u>	
 Change in net position per statement of activities	 \$	 <u><u>1,109,912</u></u>

NOTES TO FINANCIAL STATEMENTS

Red River Parishwide Fire Protection District
Notes to Financial Statements
December 31, 2024

Introduction:

The Red River Parishwide Fire Protection District (hereafter referred to as the District) was created by the Red River Parish Police Jury, as authorized by Louisiana Revised Statutes 40:1496-17. The District is governed by an eight-member board appointed by the Red River Parish Police Jury as follows: two members are from the Coushatta Fire District and one from each of the other six fire districts within Red River Parish. Board members serve without compensation. The District is responsible for maintaining and operating fire stations and equipment and for providing fire protection and rescue services to the residents of Red River Parish.

1. Summary of Significant Accounting Policies:

The accounting and reporting policies of Red River Parishwide Fire Protection District conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

A. Reporting Entity-

As the governing authority of the Parish, for reporting purposes, the Red River Parish Police Jury (Police Jury) is the financial reporting entity for Red River Parish. The financial reporting entity consists of (a) the primary government (Police Jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Red River Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the Police Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Police Jury.
2. Organizations for which the Police Jury does not appoint a voting majority but are fiscally dependent on the Police Jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Red River Parishwide Fire Protection District
Notes to Financial Statements
December 31, 2024

Because the Police Jury created and appoints the board members of the District, the District was determined to be a component unit of the Red River Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the fund maintained by the District and does not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Net Position presents the governmental-type activities on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The 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. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting-

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The District maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

The major fund of the District is described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

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D. Measurement Focus/Basis of Accounting-

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

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the District as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues "available" if collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. Assets, Liabilities, and Equity-

Cash and Investments-

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts or nonnegotiable certificates of deposit. Under state law, the District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

Red River Parishwide Fire Protection District
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Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

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

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

<u>Description</u>	<u>Estimated Life</u>	<u>Capitalization Threshold</u>
Land	N/A	\$ 1
Communications Equipment	5 years	1,000
Vehicles	5 years	5,000
Other	5 years	5,000
Station Equipment	5 years	5,000
Land Improvements	20 years	5,000
Buildings	30 years	5,000
Building Improvements	20 years	5,000
Fire Trucks	5-15 years	5,000

Equity Classifications-

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

- a. Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

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In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The General Fund has an unassigned fund balance of \$4,336,795. If applicable, the District would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

F. Budget-

Prior to the beginning of each fiscal year, the Red River Parishwide Fire Protection District adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year.

G. Estimates-

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

H. Deferred Outflows/Inflows of Resources-

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

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2. Cash and Investments:

At December 31, 2024, the District has cash and cash equivalents (book balances) totaling \$50,797 and LAMP deposits of \$2,068,911.

The LAMP deposits are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of pool shares.

The cash and cash equivalents of the District are subject to the following risks:

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.

At December 31, 2024, the District had \$54,662 in deposits (collected bank balances). These deposits are fully secured from risk by federal deposit insurance.

Interest Rate Risk. This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity is its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, as a means of offsetting exposure to interest rate risk, the District diversifies its investments by security type and institution.

Credit risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. The District's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the District may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The District may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Cash equivalent investments held at December 31, 2024 include \$2,068,911 with the Louisiana Asset Management Pool (LAMP), a local government investment pool. The Louisiana Asset Management Pool is administered by LAMP Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds, in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

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The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and a board of directors. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP is not registered with the SEC as an investment company.

3. Capital Assets:

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

Governmental Activities	Balance 01-01-24	Additions	Deletions	Balance 12-31-24
Capital Assets Not Depreciated:				
Land	\$ 193,055	\$ 0	\$0	\$ 193,055
Capital Assets Depreciated:				
Buildings & building improvements	3,750,527	0	0	3,750,527
Vehicles	2,415,321	0	0	2,415,321
Equipment	<u>714,324</u>	<u>63,828</u>	<u>0</u>	<u>778,152</u>
Total Assets	<u>\$7,073,227</u>	<u>\$ 63,828</u>	<u>\$0</u>	<u>\$7,137,055</u>
Less: Accumulated Depreciation:				
Buildings & building improvements	\$ 735,412	\$ 88,353	\$ 0	\$ 823,765
Vehicles	2,133,304	43,790	0	2,177,094
Equipment	<u>674,620</u>	<u>30,453</u>	<u>0</u>	<u>705,073</u>
Total Depreciation	<u>\$3,543,336</u>	<u>\$ 162,596</u>	<u>\$0</u>	<u>\$3,705,932</u>
Net Capital Assets	<u>\$3,529,891</u>	<u>\$ (98,768)</u>	<u>\$0</u>	<u>\$3,431,123</u>

Depreciation expense of \$162,596 was charged to the public safety function.

4. Ad Valorem Taxes:

The District levies taxes on real and business personal property located within the boundaries of the Red River Parishwide Fire Protection District. Property taxes are levied by the District on property values assessed by the Red River Parish Tax District and approved by the State of Louisiana Tax Commission.

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The Red River Parish Sheriff's office bills and collects property taxes for the District. Collections are remitted to the District monthly. The District recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties and interest added	January 31
Lien date	January 31
Tax Sale	May 15

The District is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the District.

Assessed values are established by the Red River Parish Tax District each year on a uniform basis at the following ratios to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2024. Total assessed value was \$258,300,996 in 2024. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$12,333,354 of the assessed value in 2024. For the year ended December 31, 2024, taxes of 4.66 mils were levied on the property and 4.32 were dedicated to fire protection.

5. Compensated Absences:

All full-time employees earn annual leave at rates varying from eighteen to thirty days each year depending upon length of service. Accrual of annual leave will be terminated at the time the employee is terminated, resigns, retires, or otherwise ends employment. Leave can accumulate up to 240 hours.

The following is a summary of the accrual of compensated absences for the year ended December 31, 2024:

<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
<u>\$12,167</u>	<u>\$0</u>	<u>(\$216)</u>	<u>\$11,951</u>

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6. Long-Term Liabilities:

For the year ended December 31, 2021, the District had issued \$1,404,000 in Certificates of Indebtedness, Series 2020. The Certificates of Indebtedness are to be paid from the existing ad valorem tax. The interest rate is 0.60% to 4.0% with payment date of March 1st of each year for principal and interest, and September 1st of each year for interest only. Payments began March of 2021 and mature on March 1, 2033.

On January 2, 2024, the District obtained \$300,000 in Taxable Limited Tax Bonds, Series 2024, which were purchased by Sabine State Bank. The interest rate is 4.75% with a payment date of June 1st of each year for principal and interest, and December 1st of each year for interest only. This bond was paid in full as of December 31, 2024.

Interest expense of \$37,359 was charged to the public safety function.

The combined future maturities for the bonds payable are as follows:

<u>Year Ending Dec. 31</u>	<u>Principal</u>	<u>Interest</u>
2025	75,000	36,334
2026	116,000	34,611
2027	119,000	31,964
2028	122,000	28,646
2029	126,000	24,548
2029-2033	<u>557,000</u>	<u>45,700</u>
Total	<u>\$1,115,000</u>	<u>\$201,803</u>

The following is a summary of changes in all long-term liabilities for the year ended December 31, 2024.

<u>Governmental Activities</u>	<u>Balance 01-01-24</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12-31-24</u>
Compensated Absences	\$ 12,167	\$0	\$ 216	\$ 11,951
Bonds Payable	1,189,000	0	74,000	1,115,000
Net Pension Liability	<u>1,303,214</u>	<u>0</u>	<u>370,859</u>	<u>932,355</u>
Total	<u>\$2,504,381</u>	<u>\$0</u>	<u>\$445,075</u>	<u>\$2,059,306</u>

7. Firefighters' Retirement System of Louisiana (FRS):

Plan Description

The District contributes to FRS which is a cost-sharing, multiple-employer, defined benefit pension plan. FRS was established by Act 434 of 1979 to provide retirement, disability and survivor benefits to firefighters in Louisiana.

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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 FRS 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 Louisiana Revised Statutes 11:2251 - 11:2272. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Eligibility Requirements

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

No person who has attained age 50 or over shall become a member of FRS, unless the person becomes a member by reason of a merger or unless FRS 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 FRS.

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 FRS, 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 FRS, or for any other purpose in order to attain eligibility or increase the amount of service credit in FRS.

FRS issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at www.lafirefightersret.com or www.la.state.la.us.

Benefits Provided

The following is a 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.

Retirement

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

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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 the maximum benefit (unreduced benefit which ceases upon the member's death) or any of six 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 II, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

Death Benefits

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

Deferred Retirement Option Plan (DROP)

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

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

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

Initial Benefit Option Plan

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

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

Contributions

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

According to State statute, employer contributions are actuarially-determined each year. For the year ended June 30, 2024, employer and employee contributions for members above the poverty line were 33.25% and 10%, respectively. The employer and employee contribution rates for those members below the poverty line were 35.25% and 8.0%, respectively.

According to State statute, the system receives insurance premium assessments from the state of Louisiana. The assessment is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions are recognized as revenue, but are excluded from pension expense. Non-employer contributions received by the system during the year ended December 31, 2024, were \$51,633.

The District's contractually required composite contribution rate for the year ended December 31, 2024 was 33.25% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the District were \$154,963 for the year ended December 31, 2024.

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 \$932,355 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2024 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The District's proportion of the Net Pension Liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the District's proportion was 0.16559%, which was a decrease of 0.03408% from its proportion measured as of June 30, 2023.

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For the year ended December 31, 2024, the District recognized pension expense of \$173,223 minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$117,349.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 70,000	\$ 22,174
Changes in assumption	39,888	0
Net difference between projected and actual earnings on pension plan investments	9,432	0
Changes in employer's proportion of beginning net pension liability	0	742,549
Differences between employer contributions and proportionate share of employer contributions	0	1,401
Subsequent Measurement Contributions	76,846	0
Total	\$196,166	\$766,124

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date in the amount of \$76,846, will be recognized as a reduction of the Net Pension Liabilities in the year December 31, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31:	
2025	\$ (168,919)
2026	(55,927)
2027	(192,933)
2028	(153,783)
2029	(56,608)
2030	(18,634)
Total	\$(646,804)

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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:

Valuation Date	June 30, 2024
Actuarial Cost Method for Financial Reporting	Entry Age Normal Cost
Investment Rate of Return (Discount Rate)	6.9% per annum, net of investment expenses, including inflation
Expected Remaining Service Lives	7 years, closed period
Inflation Rate	2.50% per annum
Salary Increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; including inflation and merit increases
Cost-of-Living Adjustments (COLAs)	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.

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

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

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

The June 30, 2024, estimated long-term expected rate of return on pension plan investments was determined by FRS's actuary using the System's target asset allocation and the Curran Actuarial Consulting average study for 2024. The consultants' 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 a number of investment consultants and investment management firms. Each consultant's response included nominal expected long term rates of return. In order to arrive at long-term expected arithmetic real rates of return, the actuary normalized the data received from the consultant's responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long-term inflation assumption. Where nominal

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returns were geometric, the actuary converted the return to arithmetic by adjusting for the long-term standard deviation and then reduced the assumption by the long-term inflation assumption. Using the target asset allocation for FRS 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. Subsequent to the actuary's calculation of the long-term expected real rates of return in January 2024, the Board voted to amend the target asset allocation. These changes include an increase to target weight in public equity, a decrease in the target weight in fixed income, and the inclusion of a target weight in private real assets. The changes in the target asset allocation are reflected in the table below. FRS's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2024.

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

Asset Class	Long-term Target Asset Allocation	Long-Term Expected Real Rate of Return
		<u>Real</u>
Equity	54%	27.28%
Fixed Income	30%	10.48%
Alternatives	16%	20.55%
Total	100%	

The discount rate used to measure the total pension liability was 6.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates, and that contributions from participating employers and non-employer contributing entities will be made at the actuarially-determined rates approved by the board of trustees and by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the actuary. Based on those assumptions, the FRS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Based on these assumptions, FRS'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 presents the District's proportionate share of the Net Pension Liability using the discount rate of 6.9%, as well as what the District's proportionate share of the Net Pension Liability would be if it were calculated using a discount rate that is one percentage-point lower (5.9%) or one percentage-point higher (7.9%) than the current rate:

	1.0% Decrease	Current Discount Rate	1.0% Increase
Employer's proportionate share of net pension liability	\$1,547,904	\$932,355	\$418,927

Red River Parishwide Fire Protection District
Notes to Financial Statements
December 31, 2024

Retirement System Audit Report

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 Louisiana Legislative Auditor's official website at www.la.la.gov and on the System's website at www.ffret.com.

Payables to the Pension Plan

These financial statements include a payable to the pension plan of \$14,134, which is the legally required contribution due at December 31, 2024. This amount is recorded in accounts payable.

8. Pending Litigation:

There were no civil suits seeking damages against the District outstanding at December 31, 2024.

9. Related Party Transactions:

The District had no identified related party transactions for the year ended December 31, 2024.

10. Compensation Paid to Board Members:

The members of the Board of Commissioners of the District receive no compensation for their services.

11. Receivables:

The District had receivables at December 31, 2024 consisting of the following:

Ad Valorem Taxes	\$2,236,648
Other Receivables	<u>5,917</u>
	<u>\$2,242,565</u>

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

12. On-Behalf Payments:

Employees of the District receive supplemental pay from the State of Louisiana. In accordance with GASB Statement No. 24, the District has recorded revenues and expenditures of \$50,400 for these payments in the General Fund.

Red River Parishwide Fire Protection District
Notes to Financial Statements
December 31, 2024

13. Lease:

The District has a land lease for property where a communication tower is located for \$50/year with an individual. The lease is renewable in terms of twenty years, with the current lease expiring April 25, 2028. Lease expense for the current year was \$50.

14. Tax Abatement:

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the fiscal year ending December 31, 2024, approximately \$208 ad valorem tax revenues were abated from the District by the state of Louisiana through the Louisiana Industrial Ad Valorem Tax Exemption program.

15. Subsequent Events:

Management has evaluated events through June 24, 2025, the date which the financial statements were available for issue. There were not any items noted that needed to be reported.

OTHER REQUIRED
SUPPLEMENTARY INFORMATION

Red River Parishwide Fire Protection District
General Fund
Budgetary Comparison Schedule
December 31, 2024

	<u>Budget</u>			<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES:				
Taxes-				
Ad Valorem Taxes	\$ 2,292,000	\$ 2,292,000	\$ 2,316,224	\$ 24,224
Intergovernmental-				
State Supplemental Pay	64,800	50,400	50,400	-
Fire Insurance Rebate	50,000	50,000	48,159	(1,841)
Fire Recovery Revenue	30,000	30,000	36,663	6,663
Grant Income	767,000	-	-	-
Miscellaneous-				
Interest & Dividends	90,000	165,000	175,644	10,644
Other	12,000	12,000	15,025	3,025
Total Reveunes	<u>\$ 3,305,800</u>	<u>\$ 2,599,400</u>	<u>\$ 2,642,115</u>	<u>\$ 42,715</u>
EXPENDITURES:				
Current-				
Public Safety-				
Payroll & Related Benefits	\$ 918,100	\$ 995,100	\$ 1,035,006	\$ (39,906)
Insurance	172,000	178,500	58,132	120,368
Professional Services	42,000	45,500	40,837	4,663
Utilities	31,500	35,500	35,351	149
Repairs & Maintenance	155,000	155,000	121,713	33,287
Training	14,000	14,000	9,704	4,296
Office Supplies & Expenses	92,100	96,100	30,099	66,001
Fire Fighting Supplies	41,000	69,000	52,942	16,058
Fuel	20,000	20,000	16,487	3,513
Ad Valorem Pension Expenditures	73,000	80,500	82,916	(2,416)
Capital Outlay	288,000	-	63,828	(63,828)
Debt Service	111,359	111,359	111,358	1
Total Expenditures	<u>\$ 1,958,059</u>	<u>\$ 1,800,559</u>	<u>\$ 1,658,373</u>	<u>\$ 142,186</u>
Excess of Revenues over Expenditures	\$ 1,347,741	\$ 798,841	\$ 983,742	\$ 184,901
Fund Balance- Beginning of Year	<u>3,357,197</u>	<u>3,357,197</u>	<u>3,357,197</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 4,704,938</u>	<u>\$ 4,156,038</u>	<u>\$ 4,340,939</u>	<u>\$ 184,901</u>

See accompanying notes and independent auditor's report.

Red River Parishwide Fire Protection District
Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2024

<u>Year</u>	<u>Employer's Proportion of the Net Pension Liability (Asset)</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability</u>
2015	.09242%	\$ 498,801	\$ 433,769	115%	72.45%
2016	.25916%	\$1,695,122	\$ 708,114	240%	68.16%
2017	.31862%	\$1,826,287	\$ 842,028	217%	73.55%
2018	.39129%	\$2,250,736	\$ 931,449	242%	74.76%
2019	.39125%	\$2,449,991	\$ 959,362	255%	73.96%
2020	.38751%	\$2,686,031	\$1,015,096	265%	72.61%
2021	.34824%	\$1,234,097	\$ 717,337	172%	86.78%
2022	.25743%	\$1,815,221	\$ 585,402	310%	74.68%
2023	.19967%	\$1,303,214	\$ 489,413	266%	77.69%
2024	.16559%	\$ 932,355	\$ 466,054	200%	81.68%

See independent auditors' report and notes to financial statements.

Red River Parishwide Fire Protection District
Schedule of Employer Contributions
For the Year Ended December 31, 2024

<u>Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2015	\$122,175	\$122,175	\$0	\$ 433,769	28.17%
2016	\$185,759	\$185,759	\$0	\$ 708,114	26.23%
2017	\$218,340	\$218,340	\$0	\$ 842,028	25.93%
2018	\$246,834	\$246,834	\$0	\$ 931,449	26.50%
2019	\$260,129	\$260,129	\$0	\$ 959,362	27.11%
2020	\$305,187	\$305,187	\$0	\$1,015,096	30.06%
2021	\$236,821	\$236,821	\$0	\$ 717,337	33.01%
2022	\$196,136	\$196,136	\$0	\$ 585,402	33.50%
2023	\$162,730	\$162,730	\$0	\$ 489,413	33.25%
2024	\$154,963	\$154,963	\$0	\$ 466,054	33.25%

See independent auditors' report and notes to financial statements.

SUPPLEMENTARY INFORMATION

Red River Parishwide Fire Protection District
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer
For the Year Ended December 31, 2024

	John Woodfin, Fire Chief
	1/1/24 – 12/31/24
Purpose	
Salary	\$37,800
Benefits – Insurance	0
Benefits – Retirement	13,965
Deferred Compensation	4,200
Cell Phone	0
Reimbursements	
Total	\$55,965

See independent auditors' report.

OTHER REPORTS/SCHEDULES

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA - A Professional Corporation (1927-1996)

Mark D. Thomas, CPA - A Professional Corporation
Roger M. Cunningham, CPA - LLC
Jessica H. Broadway, CPA - A Professional Corporation
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Red River Parishwide
Fire Protection District
P. O. Box 454
Coushatta, LA 71019

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities and major fund as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Red River Parishwide Fire Protection District's (District) basic financial statements and have issued our report thereon dated June 24, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of audit findings as item 2024-001.

Red River Parishwide Fire Protection District's Response to Findings

Governmental Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of audit findings. Red River Parishwide Fire Protection District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPAs

Thomas, Cunningham, Broadway, & Todtenbier
Natchitoches, Louisiana

June 24, 2025

Red River Parishwide Fire Protection District
Schedule of Audit Findings
Year Ended December 31, 2024

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unmodified opinion was issued on the financial statements of the Red River Parishwide Fire Protection District as of and for the year ended December 31, 2024.
2. There were no material weaknesses identified in internal control during the audit of the financial statements.
3. The audit disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Compliance –

2024-001 Public Bid Law

Criteria –Public entities are required to follow the Public Bid Law to ensure that public entities receive the best possible price when using public funds for the procurement of materials and supplies or public works. Louisiana R.S. 38:2212.1(A)(2)(a) provides an exception to these requirements for the purchase of materials and supplies for use by local governments to purchase new or used law enforcement vehicles, fire service vehicles, or a fire-fighting or rescue apparatus, which do not exceed \$70,000 per vehicle or apparatus. This exception further provides that any purchase of fire service vehicles which the sum is in excess of \$70,000 per vehicle shall be advertised and let for bid.

Condition – The Fire District purchased two fire service vehicles on February 15, 2025 (one for \$109,000 and another for \$89,000) without advertisement or letting for bid.

Cause – The Fire District failed to follow the Public Bid Law.

Effect – The Fire District is not in compliance with the Public Bid Law.

Recommendation – The Fire District should adopt procedures to ensure that all purchases for fire service vehicles in excess of \$70,000 are advertised and let for bid in accordance with law.

Management's Response – The Fire District will adopt procedures to ensure compliance with the Public Bid Law.

III. PRIOR YEAR AUDIT FINDINGS

No findings identified.