

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Financial Statements with Supplementary Information

December 31, 2024

(With Independent Auditor's Report Thereon)

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

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Independent Auditor's Report

**To the Board of Commissioners of
St. Tammany Parish Fire Protection District No. 9
Covington, Louisiana**

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Tammany Parish Fire Protection District No. 9 (the District), 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 the major fund of the District, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional 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

Management has omitted the management's discussions and analysis information 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.

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, schedule of employer's contributions, and the related notes to the required supplementary information as described in the table of contents 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 accompanying schedules of compensation paid to board members and compensation, benefits, and other payments to agency head are presented to comply with the requirements issued by the State of Louisiana, and are not required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of compensation paid to board members and compensation, benefits, and other payments to agency head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Griffin & Furman, LLC

May 29, 2025

Covington, Louisiana

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9**Statement of Net Position****December 31, 2024**

	<u>Assets</u>	<u>Governmental Activities</u>
Cash and cash equivalents	\$	30,958
Cash - restricted		125
Receivables - ad valorem, net of allowance of \$25,937		1,195,227
Receivables - state revenue sharing		20,632
Receivables - other		514
Capital assets, net of accumulated depreciation		<u>1,048,311</u>
Total assets		<u>2,295,767</u>
	<u>Deferred Outflows of Resources</u>	
Deferred amounts related to pensions		<u>385,951</u>
	<u>Liabilities</u>	
Current Liabilities:		
Accounts payable and accrued expenses		50,067
Accrued interest		26,470
Sheriff's pension deduction payable		40,757
Note payable		100,000
Certificates of indebtedness, due within one year		<u>40,000</u>
		257,294
Noncurrent liabilities:		
Accrued compensated absences		153,686
Certificates of indebtedness, net of balance due within one year		1,374,000
Net pension liability		<u>1,019,717</u>
		2,547,403
Total liabilities		<u>2,804,697</u>
	<u>Deferred Inflows of Resources</u>	
Deferred amounts related to pensions		<u>106,707</u>
	<u>Net Position</u>	
Net investment in capital assets		284,943
Restricted - debt service		125
Unrestricted		<u>(514,754)</u>
	\$	<u><u>(229,686)</u></u>

See accompanying notes to financial statements.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Statement of Activities

For the Year Ended December 31, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants</u>	
Governmental Activities:				
Public safety - fire protection	\$ 1,693,762	-	11,800	(1,681,962)
Interest	<u>78,937</u>	<u>-</u>	<u>-</u>	<u>(78,937)</u>
 Total	\$ <u>1,772,699</u>	<u>-</u>	<u>11,800</u>	<u>(1,760,899)</u>
General Revenues:				
Ad valorem taxes				1,280,341
State revenue sharing				31,659
Fire insurance premium tax				31,958
Workers compensation dividend				34,897
Other income				62,152
Interest				<u>13,065</u>
 Total general revenues				<u>1,454,072</u>
Change in net position				(306,827)
Net position - beginning of year				<u>77,141</u>
Net position - end of year				\$ <u>(229,686)</u>

See accompanying notes to the financial statements.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Governmental Funds

Balance Sheet

December 31, 2024

Assets

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and cash equivalents	\$ 30,958	-	30,958
Cash - restricted	-	125	125
Receivables - ad valorem, net of allowance of \$25,937	1,195,227	-	1,195,227
Receivables - state revenue sharing	20,632	-	20,632
Receivables - other	514	-	514
	<u>\$ 1,247,331</u>	<u>125</u>	<u>1,247,456</u>

Liabilities, Deferred Inflows of Resources, and Fund Balance

Liabilities:			
Sheriff's pension deduction payable	40,757	-	40,757
Accounts payable and accrued expenses	50,067	-	50,067
Total liabilities	<u>90,824</u>	<u>-</u>	<u>90,824</u>
Deferred Inflows of Resources:			
Unavailable ad valorem taxes	42,951	-	42,951
Fund Balance:			
Restricted	-	125	125
Unassigned	1,113,556	-	1,113,556
Total fund balance	<u>1,113,556</u>	<u>125</u>	<u>1,113,681</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,247,331</u>	<u>125</u>	<u>1,247,456</u>

See accompanying notes to the financial statements.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

**Reconciliation of the Balance Sheet Fund Balance - Governmental Funds to
the Statement of Net Position**

For the Year Ended December 31, 2024

Fund Balance - total governmental funds **\$ 1,113,681**

**Amounts reported for governmental activities in the statement
of net position are different because:**

**Net capital assets used in the governmental activities are not
financial resources and are not reported in the governmental funds
balance sheet** **1,048,311**

**Ad valorem taxes receivable that are not available to pay
current period expenditures are reported as deferred inflows of
resources in the governmental funds** **42,951**

**Deferred inflows and outflows are not due and payable in the current
period or do not represent current financial resources and are not
reported in the governmental funds:**

Deferred outflows of resources related to pensions **385,951**
Deferred inflows of resources related to pensions **(106,707)**

**Long-term liabilities are not due and payable in the current period
and are not reported in the governmental funds balance sheet:**

Note payable **(100,000)**
Accrued compensated absences **(153,686)**
Certificates of indebtedness **(1,414,000)**
Net Pension liability **(1,019,717)**

**Accrued interest on certificates of indebtedness is not reported in
the governmental funds balance sheet** **(26,470)**

Net Position of Governmental Activities **\$ (229,686)**

See accompanying notes to the financial statements.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9**Governmental Funds****Statement of Revenues, Expenditures, and Changes in Fund Balance****For the Year Ended December 31, 2024**

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Revenues:			
Ad valorem taxes	\$ 1,265,859	-	1,265,859
State revenue sharing	31,659	-	31,659
Fire insurance premium tax	31,958	-	31,958
Workers compensation dividend	34,897	-	34,897
Other	5,681	-	5,681
Grants	11,800	-	11,800
Interest	12,361	704	13,065
Total revenues	<u>1,394,215</u>	<u>704</u>	<u>1,394,919</u>
Expenditures:			
Public safety - fire protection:			
Salaries and benefits	1,117,827	-	1,117,827
Operating supplies and services	56,248	-	56,248
Sheriff's pension deduction	40,757	-	40,757
Insurance	161,695	-	161,695
Dispatcher fees	18,559	-	18,559
Repairs and maintenance	38,466	-	38,466
Utilities	21,727	-	21,727
Administration	34,763	-	34,763
Legal and professional services	21,997	-	21,997
Debt service:			
Principal	-	38,000	38,000
Interest	-	78,937	78,937
Capital outlay	32,701	-	32,701
Total expenditures	<u>1,544,740</u>	<u>116,937</u>	<u>1,661,677</u>
Deficiency of revenues over expenditures	(150,525)	(116,233)	(266,758)
Other financing sources (uses):			
Loan proceeds	-	100,000	100,000
Transfers (to)/from other funds	(14,769)	14,769	-
Total other financing sources (uses)	<u>(14,769)</u>	<u>114,769</u>	<u>100,000</u>
Net change in fund balance	(165,294)	(1,464)	(166,758)
Fund balance, beginning of year	<u>1,278,850</u>	<u>1,589</u>	<u>1,280,439</u>
Fund balance, end of year	<u>\$ 1,113,556</u>	<u>125</u>	<u>1,113,681</u>

See accompanying notes to the financial statements.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance - Governmental Funds to the Statement of Activities**

For the Year Ended December 31, 2024

Net Change in Fund Balance - total governmental funds \$ (166,758)

Amounts reported for governmental activities in the statement of net position
are different because:

Governmental funds report capital outlays as expenditures. In the statement
of activities, the cost of these assets is allocated over the estimated useful
lives and reported as depreciation expense. This is the amount depreciation
expense exceeds capital outlay (142,582)

Some revenues in the statement of activities do not provide current
financial resources; therefore, are not reported as revenues in the
governmental funds:

Change in deferred inflows of resources related to ad valorem taxes 14,482

Loan proceeds provide current financial resources to governmental
funds. However, issuing debt increases long-term liabilities in the statement
of net position (100,000)

Some expenses reported in the statement of activities do not require
the use of current financial resources; therefore, are not reported as
expenditures in the governmental funds:

Change in accrued compensated absences 14,077
Change in net pension liability 110,817
Change in deferred inflows/outflows related to pensions (74,863)

Repayment of debt principal is an expenditure in the statement of revenues,
expenditures, and changes in fund balance, but the repayment reduces
noncurrent liabilities in the statement of net position 38,000

Change in Net Position of Governmental Activities \$ (306,827)

See accompanying notes to the financial statements.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

(1) Summary of Significant Accounting Policies

(a) Introduction

The St. Tammany Parish Fire Protection District No. 9 (the "District") was created by the St. Tammany Parish Police Jury (now known as the St. Tammany Parish Council), as provided by Louisiana Revised Statute 40:1492. The District was created to acquire, maintain, and operate buildings, machinery, equipment, water tanks, water hydrants and water lines, and any other things necessary to provide proper fire prevention and control within the District limits. The administration of the District is governed by a Board of Commissioners consisting of five members. Two members are appointed by the St. Tammany Parish Government and two by the governing body of the Village of Sun. The fifth member is selected by the other four members and serves as chairman. Vacancies are filled by the bodies making the original appointments.

The District operates four fire stations and provides fire protection and emergency medical services to an area covering approximately 82 square miles. Fire protection services are provided by volunteers and eight full-time paid firefighters, and one full-time fire chief.

(b) Basis of Presentation

Government-Wide Financial Statements:

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District's governmental activities, which normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (a) charges for services; (b) grants and contributions that are restricted to meeting the operations of the District; and (c) grants and contributions that are restricted for capital. Taxes, intergovernmental revenues, and other revenue sources not included among program revenues are reported as general revenues.

Fund Financial Statements:

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District, or the total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The District reports the following major governmental funds:

- The General Fund is the primary operating fund of the District. It accounts for all the financial resources except those that are required to be accounted for in other funds.
- The Debt Service Fund accounts for the retirement of the certificate of indebtedness.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

Management's Discussion and Analysis:

The Governmental Accounting Standards Board Statement requires a Management's Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations and financial statements prepared using full accrual accounting for all of the District's activities. The District has not presented Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined necessary to supplement, although not required to be part of, the basic financial statements.

(c) Reporting Entity

Organizations are required to have a financial benefit/burden relationship with the primary government for it to be included in the reporting entity as a component unit. The financial benefit/burden relationship, which was not amended by GASB 61, is defined in GASB 14 as existing if any one of the following conditions is present:

- The primary government is legally entitled to or can otherwise access the organization's resources.
- The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- The primary government is obligated in some manner for the debt of the organization.

Based on the foregoing criteria, the District is included as a component unit of St. Tammany Parish Government (the "Parish") and as such, these financial statements will be included in the Annual Comprehensive Financial Report of the Parish for the year ended December 31, 2024.

(d) Measurement Focus and Basis of Accounting

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

Accrual

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

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means that the amount of the transaction can be determined, and "available" means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

Ad valorem taxes are considered to be collected when they are collected by the St. Tammany Parish Sheriff. Ad valorem taxes collected 60 days after the end of the fiscal year is considered unavailable and, therefore, are recorded as a deferred inflow of resources on the governmental fund balance sheet. State revenue sharing associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues in the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the District.

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

Cash and Cash Equivalents

Cash and cash equivalents include certificates of deposits and all highly liquid debt instruments with original maturities of three months or less when purchased.

Receivables

All receivables are reported net of estimated uncollectible amounts. The allowance for uncollectible ad valorem tax amounts was \$25,937 for the year ended December 31, 2024. This estimate is based on the District's history of collections within this revenue stream.

Capital Assets

Capital assets are reported in the government-wide financial statements and are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	5 - 40 years
Firefighting trucks and equipment	5 - 15 years
Furniture and fixtures	5 years
Vehicles	5 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. In the fund financial statements, capital assets used in the governmental fund operations are accounted for as capital outlay expenditures upon acquisition.

Compensated Absences

Each full-time employee shall be entitled to annual vacation of 18 days with full pay. This vacation period shall be increased one day for each year of service over 10 years, up to a maximum vacation period of 30 days, all of which shall be with pay. All 24-hour shift personnel shall be entitled to 216 hours of annual vacation time with full pay. This vacation time shall be increased 12 hours each year of service over 10 years, up to a maximum of 450 hours of annual

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

vacation time, all of which shall be with full pay. The District has no cap on the amount of accrued compensated absences owed to employees upon separation.

The Board of Commissioners will have the authority to reduce or increase the total accumulated hours allowed on an annual basis. Any member of the department for any cause shall not forfeit the vacation privileges herein provided for unless allowed by law.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as current-year expenditures in the General Fund when the leave is actually taken. The total cost of accumulated leave privileges is recorded in the statement of net position.

Long-Term Debt

In the government-wide financial statements, certificates of indebtedness and note payable are reported as liabilities in the statement of net position. In the fund financial statements, debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

Deferred Compensation Plan

The District offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code 457. The Plan is administered by the District. The Plan, available to all full-time employees of the District, permits them to defer a portion of their salary until future years.

All amounts of compensation deferred, all property and rights purchased, and all income, property, and rights are (until paid or made available to the employee or other beneficiary) held in trust by AXA for the exclusive benefit of the participants and their beneficiaries.

Participants may contribute up to the IRS maximum calendar limit with the District matching up to 3% of covered payroll. All contributions are immediately vested. The District contributed \$9,479 to the Plan for the year ended December 31, 2024.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has the following items that qualify for reporting in this category:

- **Pensions** - these deferred outflows result from pension contributions after the measurement date (deferred and recognized in the following fiscal year), differences in expected and actual experience, differences in projected and actual earnings, changes in assumptions, and changes in proportion (deferred and amortized over a closed six-year period) within the government-wide statement of net position.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

Deferred inflows of resources are acquisitions of net position or fund balance by the District that is applicable to a future reporting period and so will not be recognized as an inflow of resources until then. The District has the following items that qualify for reporting in this category:

- **Pensions** - these deferred inflows result from differences in projected and actual earnings on pension assets and changes in proportion (deferred and amortized over a closed six-year period) within the government-wide statement of net position.
- **Ad valorem taxes** - these amounts are unavailable and are deferred and recognized as an inflow of resources in the period that the amounts become available within the governmental fund financial statements. These amounts are recognized as revenues within the government-wide statement of activities.

Net Position

The statement of net position reports net position as the difference between all other elements in a statement of net position and is displayed in three components:

- **Net investment in capital assets** - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, and improvement of those assets.
- **Restricted** - consists of amounts with constraints placed on the use by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- **Unrestricted** - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Balance

In fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in the following five components:

- **Nonspendable** - This component consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted** - This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributions, or laws or regulations of other governments) or by law, through constitutional provisions or enabling legislation. Enabling legislation authorizes the District to assess, levy, change or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

- **Committed** - This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District. Those committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed previously to commit those amounts.
- **Assigned** - This component consists of amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the District or the designee as established in the District's fund balance policy.
- **Unassigned** - This component consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) are available for use. It is the District's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Restricted Resources

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

Budget Policies

The Board of Commissioners (the "Board") adopted a budget for the District's General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget, and public hearing on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures must be approved by the Board. All budgeted amounts which are not expended or obligated through contracts lapse at year-end.

The General Fund budget is adopted on the cash basis of accounting and revenues and expenses associated with asset donations and state supplemental pay are not included in the budget. The budget includes a reconciling adjustment within revenues for bond proceeds carried-over from the prior year to meet current year expenditures. A reconciliation to the basis materially consistent with accounting principles generally accepted in the United States of America has been presented within these financial statements as required by Governmental Accounting Standards.

(f) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

liabilities at the date of the financial statements and revenues and expenses reported during the period. Actual results could differ from those estimates.

(g) Accounting Pronouncements Adopted

On January 1, 2024, the District adopted GASB Statement No. 101, *Compensated Absences*. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The adoption of this Standard did not have a material impact on the District's consolidated financial statements.

(2) Cash and Cash Equivalents

Deposits in bank accounts are stated at cost, which approximate market. Under Louisiana law, these deposits 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.

The District's deposits are exposed to custodial credit risk if the deposit balances are either: (a) uninsured and uncollateralized, (b) uninsured and collateralized with securities held by the pledging financial institution, or (c) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name. The District's deposits consisted of the following at December 31, 2024:

	Bank Balances Category			Book
	1	2	3	Balance
Cash	\$ 30,882	-	-	30,752
Insured cash sweep	331	-	-	331
Total	<u>\$ 31,544</u>	<u>-</u>	<u>-</u>	<u>31,083</u>

The District's custodial bank manages a sweep account that automatically transfers deposit balances in excess of FDIC limits from the operating account to a Promontory ICS (insured cash sweep) account. The Promontory ICS account allows the District to maintain balances greater than the FDIC insurable limits at their custodial bank while the deposits are then placed between other reputable banks allowing for an increase in FDIC coverage without the District having to move the deposits themselves.

(3) Fire Insurance Premium Tax

The District is eligible and receives a pro-rata share of the fire insurance premium taxes collected by the State of Louisiana in accordance with Louisiana Revised Statute 22:345. The amounts received by the District are based on the population of the areas it serves. In accordance with this statute, such money shall be used only for the purpose of "rendering more efficient and efficacious" fire protection as the District shall direct.

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Notes to the Financial Statements

December 31, 2024

(4) Property Taxes

Ad valorem taxes are levied each November 1 on the assessed value listed as of prior January 1 for all real property, merchandise, and movable property located in the Parish and are due December 31. Assessed values are established by the St. Tammany Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. All land and residential improvements are assessed at 10% of its fair market value, and other property at 15% of its fair market value. The tax rate for the year ended December 31, 2024 was \$35.00 per \$1,000 of assessed valuation on property within the District for the purpose of constructing, maintaining, and operating fire protection facilities within the District and paying the cost of obtaining water for fire protection purposes.

A reevaluation of all property is required to be completed no less than every four years. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amounts of the taxes.

(5) Capital Assets

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

	Balance January 1, 2024	Increases	Decreases	Balance December 31, 2024
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 106,896	-	-	106,896
Construction in progress	42,812	-	-	42,812
Total Capital Assets Not Being Depreciated	149,708	-	-	149,708
Capital Assets Being Depreciated:				
Buildings and improvements	834,304	5,000	-	839,304
Firefighting trucks and equipment	1,179,114	27,701	-	1,206,815
Furniture and fixtures	22,600	-	-	22,600
Vehicles	294,053	-	-	294,053
Total Capital Assets Being Depreciated	2,330,071	32,701	-	2,362,772
Accumulated Depreciation	(1,288,886)	(175,283)	-	(1,464,169)
Total Capital Assets Being Depreciated, Net	1,041,185	(142,582)	-	898,603
Total Governmental Activities	\$ 1,190,893	(142,582)	-	1,048,311

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

The District recorded \$175,283 of depreciation expense on its capital assets for the year ended December 31, 2024.

(6) Pension Plan

Plan Description

The Firefighters' Retirement System is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement, disability, and death 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 R.S. 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 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 the state of Louisiana, except for Orleans Parish and the City of Baton Rouge.

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

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

Retirement Benefits

Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of

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Notes to the Financial Statements

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highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

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

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).

Death Benefits

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

Deferred Retirement Option Plan

After completing 20 years of creditable service and 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 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 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

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Notes to the Financial Statements

December 31, 2024

of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as the DROP account.

Cost of Living Adjustments (COLA):

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 plus the number of years since retirement or since death of the member or retiree to the system's fiscal year end preceding the payment of the benefit increase. If there are not sufficient funds to fund the benefit at the rate of one dollar per year for such total number of years, then the rate shall be reduced in proportion to the amount of funds that are available to fund the cost of living adjustment.

Contributions:

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

Employer and Employee Contributions

According to State statute, employer contributions are actuarially determined each year. For the year ended June 30, 2024, employer and employee contributions for members above the poverty line were 33.25% and 10.0%, respectively. The employer and employee contribution rates for those members below the poverty line were 35.25% and 8.0%, respectively. For the year ended June 30, 2023, employer and employee contributions for members above the poverty line were 33.25% and 10.0%, respectively. The employer and employee contribution rates for those members below the poverty line were 35.25% and 8.0%, respectively.

Non-employer contributions

According to State statute, the System receives insurance premium tax funds from the State of Louisiana. The tax 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 was \$31,181,383 of which the District's allocable share was \$56,471.

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

At December 31, 2024, the District reported a liability of \$1,019,717 for its proportionate share of the Net Pension Liability. The net pension liability was measured as of June 30, 2024 and the total pension

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Notes to the Financial Statements

December 31, 2024

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 0.181104%, which was a decrease of 0.007890% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the District recognized pension expense of \$189,454 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$7,452.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 76,558	(24,251)
Changes in assumptions	43,624	-
Net difference between projected and actual earnings on pension plan investments	10,315	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	168,531	(82,456)
Employer contributions subsequent to measurement date	<u>86,923</u>	<u>-</u>
	<u>\$ 385,951</u>	<u>(106,707)</u>

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

Year ended:

December 31, 2025	\$ 7,749
December 31, 2026	\$ 144,547
December 31, 2027	\$ 1,696
December 31, 2028	\$ 12,697
December 31, 2029	\$ 11,974
December 31, 2030	\$ 13,658

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Notes to the Financial Statements

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Actuarial Methods and Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The components of the net pension liability of the District as of December 31, 2024 are as follows:

Total Pension Liability	\$ 5,565,702
Plan Fiduciary Net Position	<u>(4,545,981)</u>
	<u>\$ 1,019,717</u>

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

Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	6.90% 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; includes inflation and merit increases
Cost of Living Adjustments	For purposes of determining the present value of benefits, COLA's were deemed not to be substantially 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

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actuary's method incorporates information from multiple consultants and investments firms regarding future expected rates of return, standard deviations, and correlation coefficients for each asset class. The process integrates data from multiple sources to produce average values thereby reducing reliance on a single data source.

The June 30, 2024, estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation as of January 2023 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. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the long-term standard deviation and then reduced the assumption by the long-term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. Subsequent to the actuary's calculation of the long-term expected real rate of return in January 2024, the Board voted to amend the target asset allocation. These changes include an increase to target weight in U.S. public equity, a decrease to emerging market equity, and the inclusion of a target weight in multisector fixed income to further diversify fixed income exposures. The changes to the target asset allocation are reflected in the table below. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2024.

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

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Equity – U.S.	28.50%	6.24%
Equity – Non U.S.	11.00%	6.36%
Equity – Global	10.00%	6.42%
Equity – Emerging Market Equity	4.50%	8.26%
Fixed Income – U.S. Core	22.00%	2.09%
Fixed Income – TIPS	2.00%	2.00%
Fixed Income – Emerging Market Debt	2.00%	4.05%
Fixed Income – Multisector Fixed Income	4.00%	2.34%
Alternatives – Real Estate	4.00%	4.85%
Alternatives – Private Equity	9.00%	9.77%
Alternatives – Real Assets	<u>3.00%</u>	5.93%
	<u>100.00%</u>	

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

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

contributing entities will be made at the actuarially-determined rates approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the System's actuary. Based on these assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Employer's proportionate share of the net pension liability	\$ <u>1,692,944</u>	<u>1,019,717</u>	<u>458,181</u>

Change in Net Pension Liability

The changes in the net pension liability for the year ended June 30, 2024 were recognized in the current reporting period except as follows:

Differences between Expected and Actual Experience

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred outflow of resources of \$90,936 and a deferred inflow of resources in the amount of \$40,497 for the year ended June 30, 2024. Pension expense and remaining deferred outflow for the year ended June 30, 2024 was \$14,378 and \$76,558, respectively. Pension benefit and remaining deferred inflow for the year ended June 30, 2024 was \$16,246 and \$24,251, respectively.

Differences between Projected and Actual Investment Earnings

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a net deferred inflow of resources in the amount of \$32,966, for the year ended June 30, 2024. Pension benefit and remaining net deferred inflow for the year ended June 30, 2024 was \$22,651 and \$10,315, respectively.

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Notes to the Financial Statements

December 31, 2024

Changes in Assumptions or Other Inputs

Changes in assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes in assumptions or other inputs resulted in a net deferred outflow of resources of \$71,524 for the year ended June 30, 2024. Pension expense and remaining net deferred outflow for the year ended June 30, 2024 was \$27,900 and \$43,624, respectively.

Change in Proportion

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

Contributions - Proportionate Share

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

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 (www.la.la.gov) and the System's website(www.lafrs.org).

(7) Supplemental Salaries

The State of Louisiana makes on behalf payments in the form of supplemental pay to the District's personnel. The District has reported \$51,900 of on behalf payments as state supplemental revenue and as salaries and benefits expense.

(8) Note Payable

The District has an outstanding note payable of \$100,000, which represents a loan from Gulf Coast Bank & Trust Company. The note bears interest rate at 5.5% and matures March 1, 2025. The loan is collateralized by a pledge of revenues from ad valorem taxes. See note 12.

(9) Long-Term Liabilities

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

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Certificate of indebtedness, 2015	\$ 63,000	-	(10,000)	53,000	10,000
Certificate of indebtedness, 2022	1,389,000	-	(28,000)	1,361,000	30,000
Net pension liability	1,130,534	-	(110,817)	1,019,717	-
Compensated absences	<u>167,763</u>	<u>-</u>	<u>(14,077)</u>	<u>153,686</u>	<u>-</u>
Total	\$ <u>2,750,297</u>	<u>-</u>	<u>(162,894)</u>	<u>2,587,403</u>	<u>40,000</u>

Information relating to the District's pension liability is available within the pension note disclosure. On January 28, 2015, the District issued certificates of indebtedness in the amount of \$160,000. The balance is due in annual principal installments, starting March 1, 2016 and maturing March 1, 2029. The certificates accumulate interest at the rate of 1.50% - 4.00% per annum until the outstanding balance is paid. The outstanding balance at December 31, 2024 is \$53,000.

On June 17, 2022, the District issued certificates of indebtedness in the amount of \$1,400,000. The balance is due in annual principal installments, starting March 1, 2016 and maturing March 1, 2047. The certificates accumulate interest at the rate of 5.561% per annum until the outstanding balance is paid. The outstanding balance at December 31, 2024 is \$1,361,000.

The Series 2015 and Series 2022 certificates are secured by and payable from an irrevocable pledge and dedication of the funds to be derived by the District from the levy and collection of an ad valorem tax of thirty-five mills (such rate being subject to adjustment from time to time due to reassessment). The ad valorem tax is authorized to be levied and collected through the year 2049 which was granted by an election held on May 1, 2010 and renewed on March 26, 2022.

The future minimum payments for the certificates of indebtedness are as follows:

<u>Year ending December 31,</u>	<u>Series 2015</u>		<u>Series 2022</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 10,000	1,713	30,000	74,851	40,000	76,564
2026	10,000	1,400	32,000	73,127	42,000	74,527
2027	11,000	1,045	34,000	71,292	45,000	72,337
2028	11,000	646	35,000	69,373	46,000	70,019
2029	11,000	220	38,000	67,344	49,000	67,564
Thereafter	<u>-</u>	<u>-</u>	<u>1,192,000</u>	<u>693,624</u>	<u>1,192,000</u>	<u>693,624</u>
Total	\$ <u>53,000</u>	<u>5,024</u>	<u>1,361,000</u>	<u>1,049,611</u>	<u>1,414,000</u>	<u>1,054,635</u>

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to the Financial Statements

December 31, 2024

(10) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District attempts to minimize risk from significant losses through the purchase of commercial insurance.

(11) Compensation of Board Member

The Board of Commissioners serves the District without compensation.

(12) Subsequent Events

The District evaluated subsequent events through May 29, 2025, the date which the financial statements were available to be issued. As of May 29, 2025 the note payable in the amount of \$100,000 has been paid in full.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Governmental Funds

**Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual - General Fund**

For the Year Ended December 31, 2024

		<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Non-GAAP</u>	<u>Variance</u>
		<u>Budget</u>	<u>Budget</u>		<u>to Budgetary</u>	<u>Budgetary</u>	<u>Favorable</u>
					<u>Basis</u>	<u>Basis</u>	<u>(Unfavorable)</u>
Revenues:							
Ad valorem taxes	\$	1,113,054	1,090,841	1,265,859	250,711	1,516,570	425,729
State revenue sharing		30,000	30,665	31,659	-	31,659	994
Fire insurance premium tax		30,865	31,958	31,958	-	31,958	-
Workers compensation dividend		25,000	34,897	34,897	-	34,897	-
Other		5,700	5,680	5,681	(51,900)	(46,219)	(51,899)
Grants		-	111,800	11,800	-	11,800	(100,000)
Interest		10,000	13,065	12,361	-	12,361	(704)
Total revenues		<u>1,214,619</u>	<u>1,318,906</u>	<u>1,394,215</u>	<u>198,811</u>	<u>1,593,026</u>	<u>274,120</u>
Expenditures:							
Public safety - fire protection:							
Salaries and benefits		865,850	1,111,876	1,117,827	(51,900)	1,065,927	45,949
Operating supplies and services		37,200	64,081	56,248	-	56,248	7,833
Sheriffs pension deduction		-	-	40,757	-	40,757	(40,757)
Insurance		107,000	137,607	161,695	-	161,695	(24,088)
Dispatcher fees		19,070	18,559	18,559	-	18,559	-
Repairs and maintenance		26,500	27,399	38,466	-	38,466	(11,067)
Utilities		18,000	21,727	21,727	-	21,727	-
Administration		144,564	152,672	34,763	-	34,763	117,909
Legal and professional services		19,750	21,997	21,997	-	21,997	-
Capital outlay		122,500	30,608	32,701	-	32,701	(2,093)
Total expenditures		<u>1,360,434</u>	<u>1,586,526</u>	<u>1,544,740</u>	<u>(51,900)</u>	<u>1,492,840</u>	<u>93,686</u>
Other:							
Transfers (to)/from other funds		<u>-</u>	<u>-</u>	<u>(14,769)</u>	<u>-</u>	<u>-</u>	<u>14,769</u>
Net change in fund balance		<u>(145,815)</u>	<u>(267,620)</u>	<u>(165,294)</u>	<u>250,711</u>	<u>100,186</u>	<u>367,806</u>
Fund balance, beginning							
of year		<u>1,278,850</u>	<u>1,278,850</u>	<u>1,278,850</u>			
Fund balance, end							
of year	\$	<u>1,133,035</u>	<u>1,011,230</u>	<u>1,113,556</u>			

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Schedule of Employer's Share of Net Pension Liability

Last 10 Years*

Firefighters' Retirement System:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Employer's proportion of net pension liability	0.16851%	0.17326%	0.15601%	0.14322%	0.13768%	0.18245%	0.17321%	0.18110%
Employer's proportionate share of net pension liability	965,851	996,611	976,914	992,757	487,900	1,286,536	1,130,534	1,019,717
Employer's covered-employee payroll	382,617	382,617	386,945	357,517	346,144	458,728	465,138	526,752
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	252%	260%	252%	278%	141%	280%	243%	194%
Plan fiduciary net position as a percentage of the total pension liability	73.6%	74.8%	74.0%	72.6%	86.8%	74.7%	77.7%	81.7%
Measurement date	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024

* *Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. Amounts presented for each year are as of and for the twelve months ending of the applicable measurement date.*

See accompanying notes to required supplementary information.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Schedule of Employer's Contributions

Last 10 Years

Firefighters' Retirement System:

<u>Date</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2015	106,717	106,717	-	378,707	28.18%
2016	102,078	102,078	-	388,899	26.25%
2017	103,065	103,065	-	369,740	27.87%
2018	110,756	110,756	-	403,358	27.46%
2019	104,040	104,040	-	388,512	26.78%
2020	119,373	119,373	-	396,429	30.11%
2021	129,733	129,733	-	392,011	33.09%
2022	155,509	155,509	-	463,945	33.52%
2023	167,284	167,284	-	503,109	33.25%
2024	178,132	178,132	-	535,734	33.25%

See accompanying notes to required supplementary information.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Notes to Required Supplementary Information

December 31, 2024

Firefighters' Retirement System:

Changes in Benefit Terms:

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

Changes in Assumptions:

For the year ended December 31, 2024, there were no changes in assumptions.

For the year ended December 31, 2023, there were no changes in assumptions.

For the year ended December 31, 2022 (measurement date of June 30, 2022), the Firefighter's Retirement System real investment rate of return was lowered from 7.00% to 6.90%, the tables utilized for mortality were updated to the Pub-2010 Public Retirement Plans mortality table, and salary growth rates changed to 14.10% for 1-2 years and 5.20% for service of 3 years and over. Previously these were 14.75% for 1-2 years of service, 5.50% for 3-14 years of service, 5.00% for 15-24 years of service, and 4.50% for service of 25 years and over.

For the year ended December 31, 2021 (measurement date of June 30, 2021), the Firefighter's Retirement System real investment rate of return was lowered from 7.00% to 6.90%, the tables utilized for mortality were updated to the Pub-2010 Public Retirement Plans mortality table, and salary growth rates changed to 14.10% for 1-2 years and 5.20% for service of 3 years and over. Previously these were 14.75% for 1-2 years of service, 5.50% for 3-14 years of service, 5.00% for 15-24 years of service, and 4.50% for service of 25 years and over.

For the year ended December 31, 2020 (measurement date of June 30, 2020), the Firefighter's Retirement System real investment rate of return was lowered from 7.15% to 7.00%, the tables utilized for mortality were updated to the Pub-2010 Public Retirement Plans mortality table, and salary growth rates changed to 14.10% for 1-2 years and 5.20% for service of 3 years and over. Previously these were 14.75% for 1-2 years of service, 5.50% for 3-14 years of service, 5.00% for 15-24 years of service, and 4.50% for service of 25 years and over.

For the year ended December 31, 2019 (measurement date of June 30, 2019), the Firefighter's Retirement System inflation rate assumption was lowered from 2.70% to 2.50% annually, and the real investment rate of return was lowered from 7.3% to 7.15%.

For the year ended December 31, 2018 (measurement date of June 30, 2018), the Firefighter's Retirement System inflation rate assumption was lowered from 2.775% to 2.70% annually, and the real investment rate of return was lowered from 7.4% to 7.3%.

For the year ended December 31, 2017 (measurement date of June 30, 2017), the Firefighter's Retirement System inflation rate assumption was lowered from 2.875% to 2.775% annually, and the real investment rate of return was lowered from 7.5% to 7.4%.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Schedule of Compensation Paid to Board Members

For the Year Ended December 31, 2024

Todd Kraft	\$	-
Leo Capponi		-
Wayne Hall		-
John Lejeune		-
Ross Jordan		-
		<hr/>
Total	\$	-
		<hr/> <hr/>

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

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

For the Year Ended December 31, 2024

Agency Head Name: Scott Brewer, Fire Chief

<u>Purpose</u>	<u>Amount</u>
Wages	
Salary	\$ 118,596
Overtime	51,439
Paid holidays	4,135
State supplemental	9,725
Benefits	
Insurance	12,580
Firefighter's retirement system contributions	41,827
Supplemental 457 retirement plan contributions	4,480
Other	
Reimbursements	<u>2,237</u>
	<u>\$ 242,782</u>



Stephen M. Griffin, CPA
Robert J. Furman, CPA

Howard P. Vollenweider, CPA
Jessica S. Benjamin
Racheal D. Alvey

Michael R. Choate, CPA

American Society of Certified Public Accountants
Society of Louisiana CPAs

**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 of
St. Tammany Parish Fire Protection District No. 9
Covington, Louisiana**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and major funds of the St. Tammany Parish Fire Protection District No. 9 (the District), as of and for the year then ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District'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 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 opinion 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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and management's corrective action plan as item 2024-1 that we consider to be a material weakness.

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Phone: (318) 397-2472

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

Response to Findings

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

Purpose of this Report

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

Griffin & Furman, LLC

May 29, 2025

Covington, Louisiana

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Schedule of Findings and Management Corrective Action Plan

December 31, 2024

Summary of Audit Results:

- 1. Type of Report Issued – Unmodified**
- 2. Internal Control Over Financial Reporting**
 - a. Significant Deficiencies – No**
 - b. Material Weaknesses – Yes (2024-1)**
- 3. Compliance and Other Matters – No**
- 4. Management Letter – No**

Finding 2024-1:

Criteria:

Accounting duties should be segregated to provide reasonable assurance that transactions are handled appropriately.

Condition:

There is a lack of segregation of duties among the District's personnel. The Fire Chief has unlimited access to the general ledger while also having access to cash receipts, electronic fund transfers, debit cards, and credit cards.

Cause:

There are a limited number of personnel for certain functions.

Effect:

An increased risk that transactions may be applied incorrectly and/or assets misappropriated.

Recommendation:

This situation is common in entities with limited personnel. However, updates to the District's accounting policies and procedures can help offset risks associated with the lack of segregation of duties. A policy that prevents individuals who have access to cash receipts, electronic fund transfers, debit cards, credit cards, and other financial transactions from modifying the accounting records may reduce this risk.

Management Corrective Action Plan:

Due to the District's limited budget, this finding may be unavoidable since hiring additional personnel for bookkeeping functions may be fiscally impossible. The District will take this recommendation into consideration and review the District's accounting policies and procedures to determine if changes can be made to minimize the risks associated with this finding.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Status of Prior Findings

December 31, 2024

Finding 2023-1:

Criteria:

Accounting duties should be segregated to provide reasonable assurance that transactions are handled appropriately.

Condition:

There is a lack of segregation of duties among the District's personnel. The Fire Chief has unlimited access to the general ledger while also having access to cash receipts, electronic fund transfers, debit cards, and credit cards.

Cause:

There are a limited number of personnel for certain functions.

Effect:

An increased risk that transactions may be applied incorrectly and/or assets misappropriated.

Recommendation:

This situation is common in entities with limited personnel. However, updates to the District's accounting policies and procedures can help offset risks associated with the lack of segregation of duties. A policy that prevents individuals who have access to cash receipts, electronic fund transfers, debit cards, credit cards, and other financial transactions from modifying the accounting records may reduce this risk.

Management Corrective Action Plan:

Due to the District's limited budget, this finding may be unavoidable since hiring additional personnel for bookkeeping functions may be fiscally impossible. The District will take this recommendation into consideration and review the District's accounting policies and procedures to determine if changes can be made to minimize the risks associated with this finding.

Status:

There is no change in the status of this finding.

Finding 2023-2:

Criteria:

Proper oversight of the payroll and bookkeeping services provided by a third-party is necessary to ensure the provider meets the District's reporting and compliance requirements while reducing the likelihood of errors and/or omissions.

Condition:

The District's contracted bookkeeper / payroll processor made auto withdrawals from the District's bank account each pay period for deductions from payroll checks for employee contributions to an optional deferred comp plan. The deferred comp payroll deductions totaling \$92,201 were transferred to the contracted bookkeeping / payroll processing company but were not submitted to the investment company.

The Fire District simultaneously made the monthly deferred comp payments to the investment company.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Status of Prior Findings

December 31, 2024

This resulted in the disbursement occurring twice - once to the contracted bookkeeper / payroll processing company and again when paid by the District to the investment company.

Cause:

Insufficient review and oversight of payroll / bookkeeping services provided by a third-party.

Effect:

\$92,201 of the District's funds (public funds) were distributed and held by the contracted payroll / bookkeeping company until it was discovered by the contracted company in February 2024.

Recommendation:

Management and the Board Members should review the monthly performance reports, bank reconciliations, payroll summary, and paystubs prepared by the contracted company and immediately notify the company of any errors and/or omissions.

Management Corrective Action Plan:

Management will update the District's policies and procedures to include steps to properly review services provided by third-parties. The balance of \$92,201 was reported as an account receivable as of December 31, 2023 and was repaid by the contracted bookkeeping / payroll processing company to the District on February 23, 2024.

Status:

Resolved.

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Commissioners
St. Tammany Parish Fire Protection District No. 9
Bush, Louisiana

We have performed the procedures enumerated below as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked "not applicable."

Management of the St. Tammany Parish Fire Protection District No. 9, is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the Board and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the District's compliance with certain laws and regulations during the period of January 1, 2024 to December 31, 2024.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - 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.
 - iii. ***Disbursements***, including processing, reviewing, and approving.

- 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).
- 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.
- 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.
- vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- 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).
- ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- 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.
- 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.

Finding: Procedure performed without exception.

Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

- ii. 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. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
- 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.

Finding: *There was no mention of the negative unassigned fund balance or written updates of the progress of resolving audit findings in the board minutes.*

Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
 - 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.

Finding: *Procedure performed without exception.*

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).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then

inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - 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
 - iv. 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.
- 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.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - 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).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Finding: Procedure A and C performed without exception.

For procedure B, procedures i, iii, and iv performed without exception. For procedure ii the same employee collects cash and is responsible for preparing/making bank deposits. No other employee/official is responsible for reconciling collection documentation to the deposit.

For procedure D, procedures i, ii, iii, and v performed without exception. For procedure iv, we were unable to determine if the deposit was made within one business day of receipt due to there being no documentation of receipt date.

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

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

Finding: Procedure performed without exception.

- B. For each location selected under the procedure above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Finding: Procedure performed without exception.

- C. For each location selected under procedure A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure B above, as applicable.

Finding: Procedure performed without exception.

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure A, 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.

Finding: Procedure performed without exception.

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

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

Finding: Procedure performed without exception.

- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.

Finding: Procedure performed without exception.

- C. Using the monthly statements or combined statements selected under procedure B 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.

Finding: Procedure performed without exception.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

- ii. 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 A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Finding: Procedure performed without exception.

Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - 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.

Finding: Procedure performed without exception.

Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Finding: Procedure performed without exception.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - 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.

Finding: Procedure performed without exception.

- 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.

Finding: Procedure performed without exception.

- 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.

Finding: Procedure performed without exception.

Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Finding: Procedure performed without exception.

- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Finding: Procedure performed without exception.

Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

Finding: Procedure performed without exception.

- 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).

Finding: Procedure performed without exception.

Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

Finding: Not applicable.

- 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.

Finding: Procedure performed without exception.

Information Technology Disaster Recovery/Business Continuity

- A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- B. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- C. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- D. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure C. Observe evidence that the selected terminated employees have been removed or disabled from the network. .
- E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure A, 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.

Finding: *We performed the procedures and discussed the results with management.*

Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure A, 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.

Finding: *Procedure performed with one exception. The District could not locate one of the employee files selected for testing.*

- 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).

Finding: *No exceptions noted.*

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Finding: *The District did not prepare an annual sexual harassment report for the current fiscal year.*

We were engaged by St. Tammany Parish Fire Protection District No. 9 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. Tammany Parish Fire Protection District No. 9 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.

Griffin & Furman, LLC

May 29, 2025

Covington, Louisiana

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Schedule of Findings

For the Year Ended December 31, 2024

2024-1 – Board or Finance Committee

Procedure:

- 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
 - v. 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.
 - vi. 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.

Finding: *There was no mention of the negative unassigned fund balance or written updates of the progress of resolving audit findings*

Recommendation: *We recommend these matters be included as agenda items for board monitoring and discussion.*

2024-2 – Collections

Procedure:

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - 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
 - iv. 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.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Schedule of Findings

For the Year Ended December 31, 2024

Finding: For procedure ii the same employee collects cash and is responsible for preparing/making bank deposits. No other employee/official is responsible for reconciling collection documentation to the deposit.

Recommendation: We recommend another employee/official review / reconcile collection documentation to the deposit.

2024-3 – Collections

Procedure:

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - 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).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Finding: For procedure iv, we were unable to determine if the deposit was made within one business day of receipt due to there being no documentation of receipt date.

Recommendation: We recommend the District utilize a receipt log to document the date checks are recieved

2024-4 – Prevention of Sexual Harassment

Procedure:

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure A, 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.

Finding: Procedure performed with one exception. The District could not locate one of the employee files selected for testing.

ST. TAMMANY PARISH FIRE PROTECTION DISTRICT NO. 9

Schedule of Findings

For the Year Ended December 31, 2024

Recommendation: *We recommend the District retain documentation for employee sexual harassment training.*

2024-5 – Prevention of Sexual Harassment

Procedure:

- B. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint

Finding: *The District did not prepare an annual sexual harassment report for the current fiscal year.*

Recommendation: *We recommend the District prepare the sexual harassment report in accordance with R.S. 42:344 by February 1st of each year.*

ST. TAMMANY



FIRE DISTRICT 9

May 29, 2025

Griffin & Furman, LLC
205 East Lockwood St.
Covington, LA 70433

Re: Fiscal Year 2024 Agreed Upon Procedures Schedule of Findings

Dear Mr. Furman,

In response to the above referenced Schedule of Findings, the St. Tammany Fire Protection District No. 9 acknowledges the finding and agrees to take the following corrective actions.

2024-1 – Board or Finance Committee

Procedure:

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. 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.
 - ii. 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.

Finding: *There was no mention of the negative unassigned fund balance or written updates of the progress of resolving audit findings.*

Recommendation: *We recommend these matters be included as agenda items for board monitoring and discussion.*

St. Tammany Parish Fire Protection District No. 9 Corrective Action:

2024-2 – Collections

Procedure:

- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - 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
 - iv. 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.

Finding: For procedure ii the same employee collects cash and is responsible for preparing/making bank deposits. No other employee/official is responsible for reconciling collection documentation to the deposit.

Recommendation: We recommend another employee/official review / reconcile collection documentation to the deposit.

St. Tammany Parish Fire Protection District No. 9 Corrective Action:

2024-3 – Collections

Procedure:

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - 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).

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

Finding: For procedure iv, we were unable to determine if the deposit was made within one business day of receipt due to there being no documentation of receipt date.

Recommendation: We recommend the District document the date they receive collection via a receipt log.

St. Tammany Parish Fire Protection District No. 9 Corrective Action:

2024-4 – Prevention of Sexual Harassment

Procedure:

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure A, 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.

Finding: Procedure performed with one exception. The District could not locate one of the employee files selected for testing.

Recommendation: We recommend the District retain documentation of all approved pay rates in employee files.

St. Tammany Parish Fire Protection District No. 9 Corrective Action:

2024-5 – Prevention of Sexual Harassment

Procedure:

- B. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint

Finding: The District did not prepare an annual sexual harassment report for the current fiscal year.

Recommendation: We recommend the District prepare the sexual harassment report in accordance with R.S. 42:344 by February 1st of each year.

St. Tammany Parish Fire Protection District No. 9 Corrective Action:

Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Brewer', with a long horizontal flourish extending to the right.

Scott Brewer
Fire Chief