

TANGIPAHOA MOSQUITO ABATEMENT DISTRICT NO. 1

(A Component Unit of the Tangipahoa Parish Government)

HAMMOND, LOUISIANA

ANNUAL FINANCIAL REPORT

As of and for the Year Ended
December 31, 2025

ANNUAL FINANCIAL REPORT
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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of
Commissioners of Tangipahoa Parish
Mosquito Abatement District No. 1
Hammond, Louisiana

Opinions

I have audited the accompanying financial statements of the governmental activities and each major fund of the Tangipahoa Parish Mosquito Abatement District No. 1 (the District) a component unit of the Tangipahoa Parish Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Tangipahoa Parish Mosquito Abatement District No.1, Louisiana, as of December 31, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the District, and to meet my ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

I am 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 I identify during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 37, Schedule of the District's Proportionate Share of Net Pension Liability (Asset) Parochial Employees' Retirement System of Louisiana on page 38, and the Schedule of Contributions on page 39 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions of the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head and the Schedule of Compensation Paid to Board Members are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion the Schedule of Compensation, Benefits, and Other Payments to Agency Head and the Schedule of Compensation Paid to Board Members are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated June 23, 2026, on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion, on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.


Certified Public Accountant

June 23, 2026

REQUIRED SUPPLEMENTAL INFORMATION
(Part 1)

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2025

Introduction

Tangipahoa Mosquito Abatement District Number One of the Parish of Tangipahoa (the "District") is pleased to present its Annual Financial Statements developed in compliance with Governmental Accounting Standards Board Statements No. 34, *Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments* (GASB 34), as amended. The amendment of GASB 34, including the adoption of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the adoption of GASB 101, *Compensated Absences* and applicable standards are more fully described in Footnote 1 – *Summary of Significant Accounting Policies*.

The District's management discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position, (d) identify any significant variations from the District's financial plan, and (e) identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this Management's Discussion and Analysis should be considered only a part of a greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information ("RSI") that is provided in addition to this Management's Discussion and Analysis.

Financial Highlights

- At December 31, 2025, the District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$10,441,184 (net position). The District's unrestricted net position of \$8,459,783 may be used to meet the District's ongoing obligations for mosquito protection. For the year ended December 31, 2025, the District's total net position increased \$574,257.
- At December 31, 2025, the District's government fund reported an ending fund balance of \$8,397,343 an increase of \$550,811 for the year. Of this amount, \$5,712,325 is unassigned and available for spending for mosquito protection and \$2,000,000 is committed for future projects.
- For the year ended December 31, 2025, the District's total liabilities decreased by \$216,867 or approximately 32.44% due primarily to a decrease accounts/contracts payable and net pension liability.
- Interest income for the year ended December 31, 2025, was \$251,475 a decrease of \$59,095. This decrease is due primarily to lower interest rates.
- Ad valorem taxes for the year ended December 31, 2025 were \$3,407,541 which represents an increase of \$190,589.

Overview of the Annual Financial Report

The financial statement focus is on both the District as a whole and on its major individual fund. Both perspectives, government-wide and its major fund, allow the user to address relevant questions, broaden a basis for comparison, and enhance the District's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2025

The Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on the District's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the District's various revenues. This is intended to summarize and simplify the reader's analysis of the cost and/or subsidy of various governmental services.

In both the Government-Wide Financial Statements, the District's activities are of a single type:

- Governmental activities – The District's basic services are reported here, and are financed primarily through ad valorem taxes.

The Government-Wide Financial Statements can be found on page 12 and 13 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The District uses a single category of funds to account for financial transactions: governmental funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental funds are used to account for all the District's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The basic governmental fund financial statement can be found on page 14 and 16 of this report.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2025

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the District's more immediate decisions on the current use of financial resources. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliation can be found on pages 15 and 17 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 through 35 of this report.

Government-Wide Financial Analysis

As stated earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the District's net position for the current year as compared to the prior year. For more detailed information, see the Statement of Net Position on page 12 of this report.

Condensed Statements of Net Position
December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>	<u>\$Change</u>	<u>%Change</u>
Governmental Activities				
Assets:				
Current and Other Assets	\$8,765,354	\$8,225,837	\$ 539,517	6%
Capital Assets (net)	<u>2,054,419</u>	<u>1,976,287</u>	<u>78,132</u>	3%
Total Assets	<u>10,819,773</u>	<u>10,202,124</u>	<u>617,649</u>	6%
Deferred Outflows of Resources				
Subscriptions	2,955	8,020	(5,065)	-63%
Pension Related	<u>155,909</u>	<u>295,497</u>	<u>(139,588)</u>	-47%
Total Deferred Outflows of Resources	<u>158,864</u>	<u>303,517</u>	<u>(144,653)</u>	-47%
Liabilities:				
Current Term Liabilities	174,241	318,614	(144,373)	-45%
Long-Term Liabilities	<u>277,308</u>	<u>349,802</u>	<u>(72,494)</u>	-20%
Total Liabilities	<u>451,549</u>	<u>668,416</u>	<u>(216,867)</u>	-32%
Deferred Inflows of Resources				
Pension Related	<u>85,904</u>	<u>47,179</u>	<u>38,725</u>	82%
Total Deferred Inflows of Resources	<u>85,904</u>	<u>47,179</u>	<u>38,725</u>	82%
Net Position:				
Net Investment in Capital Assets	1,981,401	1,979,803	1,598	<1%
Unrestricted	<u>8,459,783</u>	<u>7,887,124</u>	<u>572,659</u>	6%
Total Net Position	<u>\$10,441,184</u>	<u>\$9,866,927</u>	<u>\$ 574,257</u>	5%

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2025

Approximately 19% of the District's net position reflects its investment in capital assets (furniture, equipment, and buildings) net of any outstanding debt used to acquire those assets (no debt in 2025). These capital assets are used to provide services to citizens and do not represent resources available for future spending.

Approximately 81% of the District's net positions are unrestricted and may be used to meet the District's ongoing obligations to its citizens.

At the end of the current fiscal year, the District was able to report positive balances in its sole category of net position, governmental activities. The same held true for the prior fiscal year.

The District's activities increased its net position by \$574,257, the total increase is attributable to its governmental activities.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the District's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table. For more detailed information, see the Statement of Activities on page 13 of this report.

Condensed Statement of Activities
Years Ended December 31, 2025 and 2024

	<u>Governmental Activities</u>			
	<u>2025</u>	<u>2024</u>	<u>\$Change</u>	<u>%Change</u>
Revenues:				
Program Revenues:				
Operating Grants and Contributions	\$ -	\$ 80,174	\$ (80,174)	-100%
General Revenues:				
Ad Valorem Taxes	3,407,541	3,216,952	190,589	5%
Intergovernmental	60,610	69,810	(9,200)	-13%
Support revenue	10,624	10,216	408	3%
Gain(Loss) on Sale of assets	267	23,753	(23,486)	-88%
Interest Earnings	251,475	310,570	(59,095)	-19%
Miscellaneous Income	16,129	27,356	(11,227)	-41%
Total Revenues	3,746,646	3,738,831	7,815	<1%
Expenses:				
Mosquito Abatement	3,172,389	2,768,240	404,149	14%
Total Expenses	3,172,389	2,768,240	404,149	14%
Changes in Net Position	574,257	970,591	(396,334)	-40%
Net Position, Beginning	9,866,927	8,896,336	970,591	10%
Net Position, Ending	<u>\$10,441,184</u>	<u>\$9,866,927</u>	<u>\$ 574,257</u>	6%

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2025

Governmental Activities

The District's governmental net position increased by \$574,257, or 6% of the prior year ending net position, to \$10,441,184. Changes in net position decreased by \$396,334 compared to the prior year; total revenues increased by \$7,815 and expenses increased by \$404,149.

The increase in revenues is primarily due to an increase in ad valorem tax revenues.

The increase in expenses and other charges noted above is primarily comprised of increases in cost of chemicals, and insurance.

Fund Financial Analysis

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one fund type, governmental funds.

Government Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the year. The basic governmental fund financial statements can be found on pages 14 and 16 of this report.

At the end of the current year, the District's governmental fund reported ending fund balances \$8,397,343. This represents an increase of \$550,811 or 7% of the prior year's ending balances.

Major Governmental Fund Budgetary Highlights

Tangipahoa Mosquito Abatement District Number One of the Parish of Tangipahoa adopts an annual operating budget in accordance with requirements of the Local Government Budget Act. As required by state law, actual revenues and other sources were within five percent of budgeted revenues, and actual expenditures did not exceed budgeted expenditures by five percent. The budget provides an estimate for the current fiscal year of the proposed expenditures and the revenues that will finance the operation of the District. A Budget schedule detailing budget compliance is included as required supplementary information, following the footnotes of the financial statements.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2025 and 2024 amounted to \$2,054,419 and \$2,053,168 respectively (net of depreciation/amortization). Asset purchases during 2025 and 2024 respectively were \$170,866 and \$1,027,215 (which includes \$678,891 of construction in progress and \$77,527 for right of use asset).

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2025

The following table provides a summary of the District's capital assets (net of depreciation) at the end of the current year as compared to the prior year. For more detailed information see Note 6 to the financial statements on page 28 of this report.

Capital Assets (Net of Depreciation)
December 31, 2025 and 2024

	Governmental Activities	
	2025	2024
Construction in Progress	\$ -	\$ 678,891
Right of Use-Leased Land	77,527	77,527
Buildings	2,140,503	1,396,113
Equipment	1,600,687	1,495,954
Office Furniture and Equipment	273,070	279,629
	4,091,787	3,928,114
Less: Accumulated Depreciation / Amortization	(2,037,368)	(1,874,946)
Capital Assets, Net	<u>\$2,054,419</u>	<u>\$2,053,168</u>

Long-Term Debt

At December 31, 2025, the District had total long-term debt outstanding of \$277,308. The following table provides a summary of the District's outstanding debt at the end of the current year as compared to the prior year.

Outstanding Long-Term Debt
December 31, 2025 and 2024

	Governmental Activities	
	2025	2024
Lease liability	\$ 73,018	\$ 73,365
Compensated Absences	204,290	178,076
Net Pension Liability	-	98,361
	<u>\$ 277,308</u>	<u>\$ 349,802</u>

Contacting the District's Financial Management

This financial report is designed to provide the District's users with a general overview of the District's finances and show the District's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to Tangipahoa Mosquito Abatement District No.1 of the Parish of Tangipahoa, 15483 Club Deluxe Road, Hammond, Louisiana 70403. The District's telephone number is (985) 543-0454.

BASIC FINANCIAL STATEMENTS

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Statement of Net Position
December 31, 2025

Assets

Cash and cash equivalents	\$ 4,581,747
Receivables, net	3,399,225
Chemical inventory	613,287
Prepaid expenses	68,776
Capital assets, net of accumulated depreciation and amortization	2,054,419
Net Pension Asset	<u>102,319</u>

Total Assets	<u>10,819,773</u>
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Deferred Outflows of Resources

Subscriptions	2,955
GASB 68-pension	<u>155,909</u>

Total Deferred Outflows of Resources	<u>158,864</u>
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Liabilities

Current Liabilities:

Accounts and other payables	15,932
Accrued salaries	29,875
Deductions from ad valorem tax	128,434

Noncurrent Liabilities:

Due within one year:

Lease	365
Compensated absences	84,231

Due in more than one year:

Lease	72,653
Compensated absences	<u>120,059</u>

Total Liabilities	<u>451,549</u>
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Deferred Inflows of Resources

<u>85,904</u>

Net Position

Net Investment in capital assets	1,981,401
Unrestricted	<u>8,459,783</u>
TOTAL NET POSITION	<u>\$ 10,441,184</u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Statement of Activities
Year Ended December 31, 2025

Expenses

Mosquito Abatement services:

Salary and related benefits	\$ 1,262,572
Chemicals	936,312
Insurance	320,680
Interest	3,815
Other charges	224,659
Professional fees	28,610
Repairs and maintenance	47,853
Telephone	16,523
Utilities	20,337
Intragovernmental expenditures	142,288
Depreciation	167,189
Amortization	<u>1,551</u>
Total Expenses	<u>3,172,389</u>

General Revenues

Ad valorem taxes	3,407,541
Intergovernmental	60,610
Interest earnings	251,475
Miscellaneous income	16,129
Support revenue	10,624
Gain on sale of assets	<u>267</u>
Total General Revenues	<u>3,746,646</u>

Change in Net Position	574,257
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Net Position- Beginning of year	<u>9,866,927</u>
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Net Position- End of year	<u>\$10,441,184</u>
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The accompanying notes are an integral part of this statement.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

BALANCE SHEET-GOVERNMENTAL FUND
GENERAL FUND

As of December 31, 2025

Assets

Cash and cash equivalents	\$ 4,581,747
Receivables, net	3,399,225
Chemicals inventory	613,287
Prepaid insurance	<u>68,776</u>
Total Assets	<u>\$ 8,663,035</u>

Deferred Outflows of Resources

Prepayment of multi-year subscription	\$ 2,955
Total Deferred Outflows of Resources	<u>\$ 2,955</u>

Liabilities, Deferred Inflows of Resources, and Fund Balance

Liabilities:

Accounts and other payables	\$ 15,932
Accrued salaries	29,875
Deductions from ad valorem tax	<u>128,434</u>
Total Liabilities	<u>174,241</u>

Deferred Inflows of Resources

Ad valorem tax revenue	<u>94,406</u>
Total Deferred Inflows of Resources	<u>94,406</u>

Fund Balance:

Nonspendable	685,018
Committed	2,000,000
Unassigned	<u>5,712,325</u>
Total Fund Balance	<u>8,397,343</u>

Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 8,665,990</u>
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The accompanying notes are an integral part of this statement.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Reconciliation of the Balance Sheet-Governmental Fund
To the Statement of Net Position
December 31, 2025

Fund Balance, Governmental Fund (page 14)	\$8,397,343
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Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital assets used in governmental activities are
not financial resources and therefore are not reported
in the funds. These assets consist of:

Governmental capital assets, net of depreciation	2,054,419
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Ad valorem taxes collected after year-end, but not available soon enough to pay for current expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds	94,406
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Some assets used in governmental activities are not
financial resources and, therefore, are not reported in
the governmental funds.

Net pension asset	102,319
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Long-term liabilities are not due and payable in the current
period, and therefore are not reported in the funds.

Right of use-lease payable	(73,018)
Compensated absences payable	(204,290)

Deferred outflows and inflows of resources are not financial resources
or currently payable. These consist of:

Deferred outflows-pension related	155,909
Deferred inflows-pension related	<u>(85,904)</u>

Net Position, Governmental Activities (page 12)	<u>\$ 10,441,184</u>
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The accompanying notes are an integral part of this statement.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Statement of Revenues, Expenditures, and Changes
In Fund Balance Governmental Fund Type-General Fund
Year ended December 31, 2025

Revenues

Ad valorem taxes	\$ 3,381,846
Intergovernmental	60,610
Interest earnings	251,475
Miscellaneous income	16,129
Total Revenues	<u>3,710,060</u>

Expenditures

Salaries and benefits	1,248,102
Chemicals	936,312
Insurance	320,680
Other charges	228,820
Professional fees	28,610
Repairs and maintenance	47,853
Telephone	16,523
Utilities	20,337
Intergovernmental expenditures	142,288
Capital outlay	170,866
Total Expenditures	<u>3,160,391</u>

Excess of Revenues Over Expenditures	<u>549,669</u>
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Other Financing Sources

Proceeds from sale of capital assets	<u>1,142</u>
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Net Change in Fund Balance	550,811
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Fund Balance Beginning of Year	<u>7,846,532</u>
Fund Balance End of Year	<u><u>\$ 8,397,343</u></u>

The accompanying notes are an integral part of this statement.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balance of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2025

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

Total Net Change in Fund Balance, Governmental Fund (page 16)	\$ 550,811
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Capital outlays are reported in governmental funds as expenditures.
However, in the Statement of Activities, the cost of these assets is
allocated over their estimated useful lives as depreciation/amortization expense.
These differences consist of:

Capital outlay	170,866
Depreciation expense	(167,189)
Amortization expense	(1,551)

In the statement of activities, only the gain on the sale of equipment is
reported, whereas in the governmental funds, the proceeds from the sale
increases financial resources. Thus, the change in net assets differs from the
change in fund balance by the cost of the equipment disposed of.

(875)

Some expenses in the statement of activities do not use current financial
resources; therefore, are not reported as expenditures in the governmental fund.
These differences consist of:

Pension expense for GASB 68	11,742
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Some revenues in the statement of activities do not provide current financial
resources and are not reported as revenue in the governmental fund:

Ad Valorem taxes collected more than 60 days after year end	25,695
Contributions from non-contributing entity. GASB 68	10,624

The net change in long-term liabilities is reported in the government-wide
statements, but not in the governmental fund statements.

Increase in compensated absences	(26,213)
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The repayment of the principal of long-term debt consumes the current financial
Resources of governmental funds without affecting the net position. The statement of
Activities does not reflect the payment of principal on long-term debt. The principal paid
On long-term debt during the current year was:

Right of use-lease	<u>347</u>
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Change in Net Position, Governmental Activities (page 13)	<u>\$ 574,257</u>
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The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Tangipahoa Parish Mosquito Abatement
District No. 1
(A Component Unit of the Tangipahoa Parish Government)

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025

Introduction

The Tangipahoa Mosquito Abatement District No. 1 of the Parish of Tangipahoa (hereinafter referred to as “the District”), was created by the Tangipahoa Parish Council by Tangipahoa Parish Ordinance Number 01-18 on June 25, 2001, under the authority conferred by Chapter 23 of Title 33 of the Louisiana Revised Statutes of 1950, and thereby constitutes a political subdivision of the State of Louisiana. The District is governed by a board of commissioners consisting of seven (7) members. Five (5) of the commissioners are appointed by the Tangipahoa Parish Council, and one (1) commissioner is to be appointed by the governing authority of the City of Hammond, and one (1) commissioner is to be appointed by the governing authority of the City of Ponchatoula. Commissioners receive no compensation for serving on the District board. The board has the authority to purchase, maintain, and operate machinery and equipment necessary or useful in the eradication, abatement, or control of mosquitoes and other arthropods of public health importance, and to maintain an adequate administrative staff.

The financial statements of the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*, as amended, establishes criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the Tangipahoa Mosquito Abatement District No. 1 is considered a component unit of the Tangipahoa Parish Government. As a component unit, the accompanying financial statements are to be included within the reporting of the primary government, either blended within those financial statements or separately reported as a discrete component unit. Under provisions of this statement, there are no component units of the District.

1.Summary of Significant Accounting Policies

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, a primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The District does not have any business-type activities and reports only governmental activities. The District has only one fund and as such, there is no interfund activity.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental fund

and major individual enterprise funds are presented as separate columns in the fund financial statements.

The District reports only one fund: a governmental fund – the general fund.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

The District previously adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify as deferred outflows or resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The application of this standard to Long-term debt offerings of the District is more fully described in *Footnote I – Long-Term Obligations*.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, was implemented which establishes new financial requirements for governments that provide their employees with pension benefits. Additional information about the District's net pension liability (asset) is presented in the notes to the financial statements.

GASB Statement No. 77, *Tax Abatement Disclosures*, was implemented which improves financial reporting by providing financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs. As a result of implementation of this statement, additional disclosures related to tax abatements are included in Note 9.

GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of the financial statement users by improving accounting and financial reporting for leases by governments. The Statement requires all leases (contract that convey control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange-like transaction) to be reported under a single accounting model for both lessors and lessees. Certain leases that were previously classified as operating leases are to be recognized as lease assets and liabilities. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 96, *Subscription Based Information Technology Agreements (SBITAs)*. This statement provides guidance on the accounting and financial reporting for SBITAs for government end users. This Statement (1) defines a SBITA; (2) established that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

GASB Statement No. 101, *Compensated Absences*. This statement establishes standards of accounting and financial reporting for (a) compensated absences and (b) associated salary-related payments, including defined contribution pensions and defined contribution other postemployment benefits (OPEB).

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental fund:

The General Fund is the primary operating fund of the District. It accounts for all financial resources of the general government.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) program specific operating grants and contributions, and 3) program specific capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

C. Cash, Cash Equivalents and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law allows the District to deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits in state banks organized under Louisiana law or national banks having principle offices in Louisiana. State law also limits the District to investments allowed under R.S. 33:2955.

The state investment pool, the Louisiana Asset Management Pool (LAMP), operates in accordance with state laws and regulations and is considered a cash equivalent by the District. Investments for the District are reported at fair value, except any nonparticipating investment contracts which are reported at cost.

D. Receivables, Leased Asset Receivable, and Revenues

Property tax receivables are shown net of an allowance for uncollectible. The District uses .5 to 2.5 % of the property tax receivable as an allowance for uncollectible depending on information available. Property taxes are levied on a calendar year basis and become due on January 1 of each year. The taxes are generally collected in December of the current year, and January and February of the ensuing year. The following is a summary of authorized and levied ad valorem taxes:

Authorized Millage	Levied Millage	Expiration Date
5.00	4.98	2026

These taxes are used for acquiring, purchasing, maintaining and operating machinery, facilities, equipment and materials necessary or useful in the eradication, abatement or control of mosquitoes and other arthropods of public health importance.

Leased asset receivables are a result of leases in which the District has entered into a contract with a lessee that delivers the right to use a nonfinancial asset of the District as specified by the contract for a period of time in an exchange or exchange-like transaction. Such receivables are reported on the government-wide financial statements at present value of the lease payments to be received during the lease term. Additionally, the District would recognize a deferred inflow of resources that is reported at the value of the lease receivable plus any payment received at or before commencement of the lease for future periods. Assets of agreement entered into in which the District is the lessor are retained as capital assets of the District and are reported in the government-wide financial statements as described in the first paragraph of Note G. The District has not entered into any agreements delivering control of a right to use a nonfinancial asset to a lessee as described above as of December 31, 2025.

E. Inventory and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

Certain proceeds of specific revenue sources that are legally restricted to expenditures for a specified purpose are classified as restricted assets because their use is limited to specific expenditures. Such assets have been restricted by bond indenture, law, or contractual obligations.

G. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated costs if historical costs are not available. 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 \$500 or more for capitalizing capital assets.

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

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

<u>Description</u>	<u>Estimated Lives</u>
Equipment	5 - 20 Years
Office Furniture and Equipment	5 – 10 Years
Building and Building Improvements	20 – 40 Years

Right-of-use assets are a result of leases in which the District has entered into a contract with a lessor that conveys control of the right-to-use the lessor's nonfinancial asset as specified by the contract for a period of time in an exchange or exchange-like transaction. Such assets are reported on the government-wide financial statements net of amortization. A corresponding lease liability will be recognized on the government-wide financial statements at the commencement of the lease term at the present value of payments expected to be made during the lease term (less any lease incentive). Right-of-use assets are amortized at the lessor of the useful life or lease term. The District did not enter into any agreements gaining control of the right-to-use a lessor's nonfinancial asset as described above during the year ending December 31, 2025.

A subscription-based information technology arrangement (SBITA) results from a contract that conveys control of the right-to-use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Such assets are recognized on the government-wide financial statements as a right-of-use SBITA, net of amortization. A corresponding subscription liability should be recognized on the government-wide financial statements at the present value of the subscription payments expected to be made during the subscription term. The District has not entered into any agreements gaining control of the right-to-use SBITA assets as described above at December 31, 2025.

H. Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on criteria listed, two types of leave qualify for liability recognition for compensated absences- *vacation* and *sick leave*. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

The District has the following policy related to annual and sick leave.

All full-time employees are entitled to annual and sick leave as follows:

	Minimum Years of Service		
	1 to 5	5 to 15	15+
Annual leave-hours per pay period	4	6	8
Sick leave-hours per pay period	4	4	4

The following limits are the maximum number of accrued hours which may be carried over to the following year:

Annual leave	400 hours
Sick leave	600 hours

At the time of separation from the District, employees are to be paid for any unused annual leave at the straight time rate of pay earned at the time of separation (up to the carryover maximum).

At the time of retirement, unpaid sick leave may be converted to additional service credit subject to the rules of the Parochial Employee Retirement System of Louisiana (PERSLA). Employees also have the option to be paid for any unused sick leave at the straight time rate of pay earned at the time of separation (up to the carryover maximum)

.I. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Under GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, debt issuance costs, other than prepaid insurance costs, recorded in the current fiscal year are expensed. Any prepaid insurance costs on any new debt issuance should be reported as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt. If applicable, bond premiums and discounts continue to be amortized over the life of the bonds, using the effective interest method, and bonds payable are reported net of the applicable bond premium or discount.

J. Net Position and Fund Balance

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 for the government-wide financial statements requires the following components of net position:

- **Net Investment in Capital Assets Component of Net Position.** The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount. The District does not have any capital related debt or capital related deferred inflows of resources, and as such, the component is *investment in capital assets* in the current year.
- **Restricted Component of Net Position.** This component of net position consists of constraints placed on their use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions of enabling legislation.
- **Unrestricted Component of Net Position.** This component of net position consists of net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, Governmental fund equity is classified as fund balance. GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purpose for which resources can be used.

- **Nonspendable.** These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Nonspendable reflects inventory of \$613,287, prepaid insurance of \$68,776, and \$2,955 for subscriptions reported as deferred outflows of resources.
-

- **Restricted.** These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

The District does not have anything that can be classified as Restricted Fund Balance.

- **Committed.** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of the District, which is the District's highest level of decision-making authority. These amounts cannot be used for any other purposes unless the Board removes or changes the constraint.

The Board at their meeting on November 19, 2025, recommitted \$2,000,000 of fund balance for the following:

- a) Larger aircraft for aerial mosquito control spraying \$800,000
- b) Emergency reserves for mosquito control chemicals \$600,000
- c) Emergency aerial spraying \$600,000

- **Assigned.** These are amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes based on the discretion of the board.

The District does not have anything that can be classified as Assigned Fund Balance.

- **Unassigned.** These are amounts that have not been assigned to other funds and amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. Also, within other governmental funds, these include expenditure amounts incurred for specific purposes which exceed the amounts restricted, committed or assigned for those purposes.

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 they are needed.

When restricted, committed, assigned, or unassigned fund balances are available for use, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds as needed, unless it has been provided for otherwise in the restriction, commitment, or assignment action.

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the District, which are either unusual in nature or infrequent in occurrence.

L. Estimates

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

M. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in page 15 of the basic financial statements. Explanation of certain differences between

the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in page 17 of the basic financial statements.

2. Stewardship, Compliance, and Accountability

A. Budget Information

The Mosquito Abatement District uses the following budget practices:

1. The District prepares budgets on the modified accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).
2. The District’s director prepares the proposed budget and submits it to the board of commissioners no later than fifteen (15) days prior to the beginning of each fiscal year. The proposed budget for 2025 was presented to the board of commissioners on November 20, 2024.
3. The proposed budget for 2025 was adopted on November 20, 2024.
4. Budgetary amendments require the approval of the Board of Commissioners. The amended budget was adopted on November 19, 2025.
5. All budgetary appropriations lapse at year-end.
6. Periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in accompanying financial statements include the originally adopted budget amounts and all subsequent amendments legally adopted prior to year-end.
7. There were no budget variances that would result in unfavorable variances in violation of the Local Government Budget Act for the fiscal year ended December 31, 2025.

3. Cash and Cash Equivalents

At December 31, 2025, the District had cash and cash equivalents (book balances) totaling \$4,581,747 as follows:

Interest-bearing demand deposits	\$ 3,947,972
Louisiana Asset Management Pool	<u>633,775</u>
	<u>\$ 4,581,747</u>

These demand deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2025, the District had \$3,953,686 in bank deposits (collected bank balances) in one financial institution. These demand deposits are secured from risk by \$250,000 of federal deposit insurance per institution and the remaining \$3,703,686 is secured by pledged securities. The \$3,703,686 is exposed to custodial credit risk because while the amount is secured by pledged securities, such securities are held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

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

and sell the pledged securities within ten (10) days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

Custodial credit risk as it relates to cash deposits is the risk that in the event of bank failure, the government’s deposits may not be returned. The District does not have a formal policy for custodial credit risk.

At December 31, 2025, the District had additional cash equivalents considered to be a demand deposit in the Louisiana Asset Management Pool (LAMP) of \$633,775.

The investment in the Louisiana Asset Management Pool (LAMP) – an external investment pool, is stated at the value of the pool shares, which is the same as fair value and consists of securities of the United States Government or its agencies and as such do not require additional pledged collateral.

In accordance with GASB-31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are carried at fair value, with the estimate of fair value based on quoted market prices. At December 31, 2025, the District’s investment balances are as follows:

	Carrying <u>Amount</u>	Fair <u>Value</u>
Louisiana Asset Management Pool	\$ <u>633,775</u>	\$ <u>633,775</u>

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

Effective August 1, 2001, LAMP’s investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955 (A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in “Investment grade (A-1/P-1) commercial paper of domestic United States corporations.” Effective October 1, 2001, LAMP’s Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

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

LAMP, Inc. issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by writing to LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, Louisiana 70130, or by calling (504) 525-5267.

Tangipahoa Mosquito Abatement District No. 1
Notes to the Financial Statements – continued
December 31, 2025

The Tangipahoa Mosquito Abatement District No. 1 did not hold any assets considered to be investments at December 31, 2025.

4. Receivables

The following is a summary of receivables at December 31, 2025:

Class of Receivable:	
Ad valorem taxes	\$3,370,318
Other receivables	<u>53,897</u>
Total	3,424,215
Less allowance for uncollectible	
Ad valorem taxes	<u>(24,990)</u>
Total	<u>\$3,399,225</u>

The District used .74% of the property tax receivable as an allowance for uncollectible.

5. Interfund Receivable/Payable

Interfund receivables and payables are recorded when one fund overpays or underpays its portion of an expenditure. The District had no interfund receivables and payables since it had only one fund.

6. Capital Assets

Capital assets and depreciation for governmental activities as of and for the year ended December 31, 2025 is as follows:

A summary of changes in capital assets is as follows:

	Balance 12/31/24	Increases	Decreases	Balance 12/31/25
Capital assets not being depreciated:				
Construction in progress	\$ 678,891	\$ 65,499	\$744,390	-
Total capital assets not being depreciated	<u>678,891</u>	<u>65,499</u>	<u>744,390</u>	<u>-</u>
Capital assets being depreciated/amortized				
Right of use-leased land	77,527	-	-	77,527
Building	1,396,113	744,390	-	2,140,503
Equipment	1,495,954	104,733	-	1,600,687
Office furniture and equipment	<u>279,629</u>	<u>634</u>	<u>7,193</u>	<u>273,070</u>
Total capital assets being depreciated/amortized	3,249,223	849,757	7,193	4,091,787,
Less accumulated depreciation/amortization for:				
Right of use-leased land	646	1,551	-	2,197
Building	496,859	53,067	-	549,926
Equipment	1,124,056	103,495	-	1,227,551
Office furniture and equipment	<u>253,385</u>	<u>10,627</u>	<u>6,318</u>	<u>257,694</u>
Total accumulated depreciation/amortization	<u>1,874,946</u>	<u>168,740</u>	<u>6,318</u>	<u>2,037,368</u>
Capital assets being depreciated/amortized, net	<u>1,374,277</u>	<u>746,516</u>	<u>745,265</u>	<u>2,054,419</u>
Government Activities Capital Assets, Net	<u>\$2,053,168</u>	<u>\$ 681,017</u>	<u>\$ 875</u>	<u>\$2,054,419</u>

Tangipahoa Mosquito Abatement District No. 1
Notes to the Financial Statements – continued
December 31, 2025

Depreciation expense of \$167,189 for the year ended December 31, 2025 was charged to the Governmental activities. Amortization expense of \$1,551 for the year ended December 31, 2025 was charged to the Governmental activities.

Reconciliation of Net Investment in Capital Assets:

Capital Assets (net of Accumulated Depreciation/Amortization	\$2,054,419
Less: Lease Liability	73,018
	<u>\$1,981,401</u>

7. Long-Term Obligations

A. The following is a summary of changes in long-term obligations for the year ended December 31, 2025.

Governmental Activities	Balances 1/1/2025	Additions	Reductions	Balance 12/31/25	Due within one year
Lease Liability	\$ 73,365	\$ -	(347)	\$ 73,018	\$ 365
Compensated Absences*	178,076	26,214	-	204,290	84,231
Net pension liability	<u>98,361</u>	<u>-</u>	<u>(98,361)</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>\$ 349,802</u>	<u>\$ 26,214</u>	<u>\$ (98,708)</u>	<u>\$ 277,308</u>	<u>\$ 84,596</u>

*The change in the compensated absences liability is presented as a net change.

B. Lease Liability

The District entered into a real estate lease with the City of Hammond on July 25, 2024, for land that the new hangar sit on. This lease was amended on October 20, 2025, to add the non-appropriation clause and extend the lease two additional years. The length of the lease is now 52 years at an applicable interest rate of 5.20% with an annual payment due July 1 being \$4,162 in the first year; then increasing each year thereafter by a percentage equal to Consumer Price Index, if any. However, in no event shall there be a decrease in rent. Total payments for the fiscal year ended are \$4,162 (principal of \$347 and interest of \$3,815 which is reported in mosquito abatement services function.

C. Debt Service Requirements to Maturity

The future minimum lease obligation and the net present value of these minimum lease payments as of December 31, 2025 were as follows:

	Principal	Interest	Total
2026	\$ 365	\$ 3,797	\$ 4,162
2027	384	3,778	4,162
2028	404	3,758	4,162
2029	425	3,737	4,162
2030	447	3,715	4,162
2031 - 2035	2,611	18,200	20,811
2036 - 2040	3,364	17,447	20,811
2041- 2045	4,335	16,477	20,812
2046- 2050	5,585	15,226	20,811
2051- 2055	7,196	13,615	20,811
2056 - 2060	9,272	11,539	20,811
2061- 2065	11,945	8,865	20,810
2066 - 2070	15,393	5,417	20,810
2071 - 2075	11,292	1,194	12,486
2076	-	-	-
	<u>\$ 73,018</u>	<u>\$ 126,765</u>	<u>\$ 199,783</u>

8. Pension Plan

Part-Time employees of the District are members of the social security system. In addition to employee payroll deductions, District funds are remitted to match the employee contributions. Aggregate contributions to the social security system for the year ended December 31, 2025, were \$10,403 of which \$5,202 was contributed by the District.

A. Parochial Employees' Retirement System of Louisiana

Plan Description: Parochial Employees' Retirement System of Louisiana is the administrator of a cost sharing multiple employer defined benefit pension plan. The System was established and provided for by R.S. 11:1901 of the Louisiana Revised Statute (LRS). The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system and which elects to become members of the System.

Substantially all full-time employees of the District are members of the Parochial Employees' Retirement System of Louisiana (System). The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All participating employees of the District are members of Plan A.

Eligibility Requirements:

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace and parish presidents, may no longer join the Retirement System.

Retirement Benefits:

Any member of Plan A can retire providing her/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service
2. Age 62 with 10 years of service
3. Age 67 with 7 years of service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to 3% of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit as outlined in the statutes.

Deferred Retirement Option Plan (DROP) Benefits:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an

option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account. Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan (DROP) on or after January 1, 2004, all amounts which remain credited to the individuals subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or at the option of the Systems, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007 and has at least five years of creditable service or if hired after January 1, 2007 has seven years of creditable service, and is not eligible for normal retirement and has been certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age 60.

Cost of Living Increases:

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 11.00% of annual covered payroll. Contributions to the System include one-fourth (1/4) of one (1%) percent of the ad valorem taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-contributing entities.

Tangipahoa Mosquito Abatement District No. 1
Notes to the Financial Statements – continued
December 31, 2025

Non-employer contributions are recognized as revenue and excluded from pension expense for the year ended December 31, 2025. During the year ending December 31, 2025, the District recognized revenue as a result of support received from non-employer contributing entities of \$10,624 for its participation in Parochial Employees' Retirement System of Louisiana – Plan A.

The District's contributions to the System under Plan A for the years ending December 31, 2025 and 2024 were \$93,386 and \$90,505 respectively, each equal to the required contributions for that year.

Pension Liability (Asset) Pension Expense, and Deferred Outflows and Resources and Deferred Inflows of Resources:

At December 31, 2025, the District reported an (asset) of (\$102,319) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2024, and the total pension (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation of that date. The District's proportion of the net pension liability (asset) 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 December 31, 2024, the District's proportion was 0.101746%.

For the year ended December 31, 2025, the District recognized pension expense of \$86,490 less amortization of deferred amounts from changes in proportion of \$868, for a net pension expense of \$85,622.

At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 62,440	\$ 8,894
Changes of assumptions	-	11,259
Net difference between projected and actual earnings on pension plan investments	-	67,377
Changes in proportion and differences between employer contributions and proportionate share of contributions	83	(1,626)
Employer contribution subsequent to the measurement date	93,386	-
Total	\$ 155,909	\$ 85,904

The District reported \$93,386 as deferred outflows of resources related to pension contributions made subsequent to the measurement date, which will be recognized as a reduction in net pension liability (asset) for the year ended December 31, 2025.

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

Year	
2025	\$ 36,643
2026	91,528
2027	(103,432)
2028	(50,774)
Thereafter	-

Tangipahoa Mosquito Abatement District No. 1
Notes to the Financial Statements – continued
December 31, 2025

Actuarial Assumptions:

A summary of actuarial methods and assumptions used in determining the total net pension liability as of December 31, 2024 is as follows:

Valuation Date	December 31, 2024
Actuarial Cost Method Plan A	Entry Age Normal
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.40%, net of investment expense
Projected Salary Increases	4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provision for potential future increases not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2021 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale for disabled annuitants.
Inflation Rate	2.30%

The actuarial assumptions used in the December 31, 2024, valuation (excluding Morality) was based on actuarial funding valuation and results of an actuarial experience study for the period January 1, 2018, to December 31, 2022, unless otherwise specified.

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.13% for the year ended December 31, 2024.

Best estimates of arithmetic real rates of return for each major class included in the System’s target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	37%	1.08%
Equity	47%	2.82%
Alternatives	15%	0.76%
Real Assets	1%	0.07%
Totals	100%	4.73%
Inflation		2.40%
Expected Arithmetic Nominal Return		7.13%

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability (Assets) to Changes in the Discount Rate:

The following table represents the District’s proportionate share of the net pension liability (asset) of the participating employers as of December 31, 2024 calculated using the discount rate of 6.40% as well as the District’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate:

	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net Pension Liability (Asset)	\$ 522,165	\$ (102,319)	\$ (626,500)

Payables to the Pension Plans:

At December 31, 2025, the District had no payables to the Parochial Employees’ Retirement.

9. Tax Abatements

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers attractive tax incentives for manufacturers within the state. The program abates, for up to ten years, local property taxes (ad valorem) on a manufacturer’s new investment and annual capitalized additions related to the manufacturing site. The exemption is granted per contract with the Louisiana Department of Economic Development and will specify the buildings and/or personal property items covered by the exemption. There are currently sixteen tax abatements in Tangipahoa Parish, related to nine companies, under the Louisiana ITEP. For the 2025 calendar year, the estimated forgone ad valorem taxes in the District due to this abatement program was \$12,771.

10. Risk Management

The District is exposed to various risks of losses 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. Contingent Liabilities

At December 31, 2025, the District was not involved in any outstanding litigation or claims.

12. Subsequent Events

Subsequent events have been evaluated by management through June 23, 2026, the date the financial statements were available to be issued. No events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2025.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) to Actual
Governmental Fund Type-General Fund
Year Ended December 31, 2025

	GENERAL FUND			
	<u>Budgeted Amounts</u>		Actual Amounts: GAAP Basis	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Amended (Final)</u>		
Revenues				
Ad valorem taxes	\$3,248,170	\$3,184,356	\$3,381,846	\$197,490
Intergovernmental	-	-	60,610	60,610
Interest income	150,000	202,554	251,475	48,921
Miscellaneous income	20,000	60,243	16,129	(44,114)
Total Revenues	3,418,170	3,447,153	3,710,060	262,907
Expenditures				
Personal services and benefits	1,285,159	1,287,159	1,248,102	39,057
Materials and supplies	1,631,175	1,632,175	1,512,603	119,572
Other charges	338,300	338,300	228,820	109,480
Capital outlays	785,400	782,400	170,866	611,534
Total expenditures	4,040,034	4,040,034	3,160,391	879,643
Excess (Deficiency) of Revenues over Expenditures	(621,864)	(592,881)	549,669	1,142,550
Other Financing Sources				
Proceeds from sale of capital assets	5,000	1,142	1,142	-
Total Other Financing Sources	5,000	1,142	1,142	-
Net Change in Fund Balance	(616,864)	(591,739)	550,811	1,142,550
Fund Balance at Beginning of Year	7,846,532	7,846,532	7,846,532	-
Fund Balance at End of Year	<u>\$7,229,668</u>	<u>\$7,254,798</u>	<u>\$8,397,343</u>	<u>\$1,142,550</u>

See Independent Auditor's Report.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Schedule of the District's Proportionate
Share of Net Pension Liability (Asset)
Parochial Employee's Retirement System of Louisiana
Year Ended December 31, 2025

Year Ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share Of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position As a Percentage Of the Total Pension Liability (Asset)
2016	0.090051%	\$ 237,040	\$ 537,372	45.9096%	92.23%
2017	0.090610%	\$ 186,612	\$ 545,137	34.2322%	94.15%
2018	0.088566%	\$ 65,738	\$ 552,690	9.8152%	101.98%
2019	0.093538%	\$ 415,155	\$ 605,513	68.5625%	88.86%
2020	0.095495%	\$ 4,495	\$ 600,892	0.7481%	99.89%
2021	(0.090702)%	\$ (159,038)	\$ 623,702	(25.4990)%	(103.99)%
2022	(0.092960)%	\$ (437,882)	\$ 681,787	(54.4974)%	(110.46)%
2023	0.100502%	\$ 386,811	\$ 748,271	51.6939%	91.74%
2024	0.103242%	\$ 98,361	\$ 787,004	12.4982%	98.03%
2025	0.101746%	\$ (102,319)	\$ 848,973	(11.5618)%	(101.97)%

Data reported measured as of December 31, 2024 (measurement date)

See Independent Auditor's Report.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Schedule of District's Contributions
Parochial Employees' Retirement System of Louisiana
For the Year Ended December 31, 2025

Year Ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions As a % of Covered Employee Payroll
2016	\$ 69,858	\$ 69,858	\$ -	\$ 537,372	13.00%
2017	\$ 68,142	\$ 68,142	\$ -	\$ 545,137	12.50%
2018	\$ 63,559	\$ 63,559	\$ -	\$ 552,690	11.50%
2019	\$ 69,634	\$ 69,634	\$ -	\$ 605,513	11.50%
2020	\$ 73,609	\$ 73,609	\$ -	\$ 600,892	12.25%
2021	\$ 76,403	\$ 76,403	\$ -	\$ 623,702	12.25%
2022	\$ 78,406	\$ 78,406	\$ -	\$ 681,787	11.50%
2023	\$ 86,051	\$ 86,051	\$ -	\$ 748,271	11.50%
2024	\$ 90,505	\$ 90,505	\$ -	\$ 787,004	11.50%
2025	\$ 93,386	\$ 93,386	\$ -	\$ 848,973	11.00%

Data reported measured as of December 31, 2025 (measurement date)

See Independent Auditor's Report.

OTHER SUPPLEMENTAL INFORMATION

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Schedule of Board Members
For the Year Ended December 31, 2025

<u>BOARD MEMBER</u>	<u>TITLE</u>	<u>TERM EXPIRES</u>
Erin Horzelski	Chairwoman	July 2028
Charlie Ciolino	Vice Chairman	July 2028
James Harper	Member	July 2027
Crain Inman	Secretary	July 2028
Amy Newsham	Member	July 2028
May Stilley	Member	July, 2028
Greg Fletcher	Member	July, 2027

No compensation is paid to these members.

See Independent Auditor's Report.

TANGIPAHOA MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

Schedule of Compensation, Reimbursements, Benefits, and Other
Payments to Agency Head
For the Year Ended December 31, 2025

Agency Head: Colby Colona, Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 115,550
Benefits – Retirement (11%)	12,710
Benefits – Insurance	7,540
Benefits – Medicare	1,758
Benefits – Car allowance	6,000
Travel	6,070
Meeting registrations	1,378
Computer products, work supplies, misc	<u>1,423</u>
Total	<u>\$152,429</u>

See Independent Auditor's Report.

FINDINGS AND OTHER INDEPENDENT AUDITOR’S REPORT



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

To the Members of the Board of Commissioners of the
Tangipahoa Parish Mosquito Abatement District No.1
Hammond, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of Tangipahoa Parish Mosquito Abatement District No 1 (District), a component unit of Tangipahoa Parish Government, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued my report thereon dated June 23, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider a material weakness. However, material weaknesses or significant deficiencies may exist that have not been identified.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. I did not identify any deficiencies in internal control over financial reporting that I consider to be a material weakness as defined above.

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. I did not identify any deficiencies in internal control over financial reporting that I consider to be a significant deficiency as define above.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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


Certified Public Accountant

June 23, 2026

TANGIPAHOA PARISH MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended December 31, 2025

SECTION 1. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
TMAD 24-01 Violation of LA RS 38:2241 Written contract and bond	Resolved
TMAD 24-02 Violation of LA RS 39:1410.60- Local Government Finances	Resolved
SECTION 2. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
NONE	
SECTION 3. MANAGEMENT LETTER	
NONE	

TANGIPAHOA PARISH MOSQUITO ABATEMENT
DISTRICT NO. 1
(A Component Unit of the Tangipahoa Parish Government)

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS,
RECOMMENDATIONS, AND RESPONSES
Year Ended December 31, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

I have audited the financial statements of Tangipahoa Parish Mosquito Abatement District No.1 as of and for the year ended December 31, 2025, and have issued my report thereon dated June 23, 2026. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2025, resulted in:

- ☐ An unqualified opinion has been expressed on the financial statements of the governmental activation of the District.

Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material weaknesses identified? ☐ yes ☒ no

Significant deficiencies identified not

considered to be material weaknesses? ☐ yes ☒ no

Compliance

Noncompliance material to financial
statements noted? ☐ yes ☒ no

Management Letter

Was a management letter issued? ☐ yes ☒ no

SECTION II - FINANCIAL STATEMENT FINDINGS

NONE

SECTION III - FEDERAL FINANCIAL ASSISTANCE

NONE



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE YEAR ENDED DECEMBER 31, 2025

To the Board of Directors of
Tangipahoa Mosquito Abatement District No. 1
and the Louisiana Legislative Auditor:

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. Tangipahoa Mosquito Abatement District No. 1's management is responsible for those C/C areas identified in the SAUPs.

Tangipahoa Mosquito Abatement District No. 1 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

1. 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:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***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.
 - c) ***Disbursements***, including processing, reviewing, and approving.

- d) ***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).
- e) ***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.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) ***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).
- i) ***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.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***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.
- l) ***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.

No exceptions were found as a result of these procedures.

2) Board or Finance Committee

2. 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, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - 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.

No exceptions were found as a result of these procedures.

3) Bank Reconciliations

3. 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.

No exceptions were found as a result of these procedures.

4) Collections (excluding electronic funds transfers)

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

No exceptions were found as a result of these procedures.

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

8. 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).
9. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

10. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

No exceptions were found as a result of these procedures.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- 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
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized 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

- b) Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.
- D. Using the list of terminated employees obtained in Payroll and Personnel procedure #9C identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees’ authorization has been removed.

No exceptions were found as a result of these procedures.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
 - i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
 - 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 #1A(vii); and

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

No exceptions were found as a result of these procedures.

8) Contracts

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

No exceptions were found as a result of these procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

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

No exceptions were found as a result of these procedures.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- a. 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
 - b. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
23. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No exceptions were found as a result of these procedures.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission

approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

- 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).

No exceptions were found as a result of these procedures.

12) Fraud Notice

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

No exceptions were found as a result of these procedures.

13) Information Technology Disaster Recovery/Business Continuity

Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management":**

- A. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
- 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 Payroll and Personnel procedure #9C. 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 #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

I performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- 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).
- 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.

No exceptions were found as a result of these procedures.

Tangipahoa Mosquito Abatement District No. 1
Statewide Agreed-Upon Procedures
FYE December 31, 2025 - continued

I was engaged by Tangipahoa Mosquito Abatement District No. 1 to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was 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, I do not express such an opinion or conclusion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of Tangipahoa Mosquito Abatement District No. 1 and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my 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.


Certified Public Accountant

June 23, 2026