

WASHINGTON PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT

Year Ended December 31, 2023

WASHINGTON PARISH GOVERNMENT

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INDEPENDENT AUDITORS' REPORT

Washington Parish Government
Franklinton, Louisiana

Adverse, Qualified, and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Washington Parish Government (the Parish), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Parish's primary government as listed in the Table of Contents.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse, Qualified and Unmodified Opinions" section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Parish as of December 31, 2023, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the matters described in the "Basis for Adverse, Qualified and Unmodified Opinions" section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Parish as of December 31, 2023, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, Business-Type Activities and Each Major Fund

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Parish as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse, Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Parish, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse, qualified, and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units and Qualified Opinion on the Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Parish's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Parish's primary government unless the Parish also issues financial statements for the financial reporting entity that include the financial data for its component units. The Parish has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component units has not been determined. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information are indeterminable.

Responsibility 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedule of Changes in Total OPEB Liability and Related Ratios and Notes to the Schedule, Schedule of Employer's Proportionate Share of the Net Pension Liability, and Schedule of Employer's Pension Contributions be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements is required by the *Government 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, and historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited

procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Parish's basic financial statements. The accompanying schedule of expenditures of federal awards, combining nonmajor fund financial statements, schedule of compensation, benefits, and other payments to agency head, and justice system funding schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*.

The schedule of expenditures of federal awards, the combining nonmajor fund financial statements, schedule of compensation, benefits, and other payments to agency head, and justice system funding schedules are the responsibility of management and were derived from and related 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. In our opinion, the schedule of expenditures of federal awards, the combining nonmajor fund financial statements, schedule of compensation, benefits, and other payments to agency head, and justice system funding schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated June 25, 2024, on our consideration of the Parish's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance and the results of that testing, and not to provide an opinion on 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 Parish's internal control over financial reporting and compliance.

Kushner LaGraize, L.L.C.

Metairie, Louisiana

June 25, 2024

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2023

As management of the Washington Parish Government, we offer readers of Washington Parish Government's financial statements this narrative overview and analysis of the financial activities of the Washington Parish Government for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information contained in this report.

FINANCIAL HIGHLIGHTS

- The assets of the Washington Parish Government exceeded its liabilities at the close of the most recent fiscal year by \$67,296,882 (net position). Of this amount, \$3,927,576 represents unrestricted net position.
- During 2023, the Washington Parish Government's total net position increased \$2,864,518 related to a combination of factors, as follows: 1) Sales tax revenues increased approximately \$1.8 million dollars, a 19.44% increase over the prior year, primarily due to economic growth in the parish, increased remote dealer and online sales tax collections, and commercial and residential construction projects, 2) Increased construction produced growth in property taxes of \$539,121, for a 9.4% increase over the prior year, 3) License and permit revenues escalated due to the permitting of a solar utility plant in western Washington Parish, resulting in an increase of \$485,359, an 80.42% rise from the previous year, 4) Interest revenues increased as the Federal Reserve adjusted rates upward 5 times during 2022 and 2023 resulting in a 149.32% increase in these revenues.
- The Parish completed and recorded numerous capital projects, as further described. The Department of Public Works Road crews completed asphalt overlay of 15.51 miles of Parish roads at a cost of \$1,445,868 (\$93,222/mile cost) during 2023. The Parish contracted 28.32 miles of asphalt overlay roads at a cost of \$3,774,438 (\$133,278/mile cost). The Road Maintenance department added \$296,000 of new and used equipment to the Parish fleet. Several renovation and modernization projects were completed in the courthouse, including the following: Clerk of Court Civil office renovation, HVAC systems in 3 areas and upgrades to the underground sewer system at a cost of \$48,756. The animal shelter location received a \$75,000 LGAP grant which provided funding for renovating the HVAC system, painting the interior, and upgrading the kennel runs. Road department location one (Dobson Street) added an exterior canopy extension, new fuel tanks and canopy, and a full-service generator system for a total cost of \$87,430, and location two (Yacc Road) installed new flooring in their building. Additional upgrades were made to the HVAC system in the Coroner's office located at 805 Pearl Street in Franklinton at a cost of \$27,174. Funds from the American Rescue Plan Act (ARPA) were utilized to pay premium pay to first responders employed by the Washington Parish Sheriff's Office for their efforts during the COVID Pandemic in the amount of \$1,554,248. Additionally, cost of medical services in the parish jail were funded in the amount of \$61,268. ARPA funds were also used to provide asphalt for the Parish's DPW crews to overlay parish roadways in the amount of \$449,900. Additionally, \$222,609 of these funds were used to finance the ongoing construction project to renovate the Washington Parish Jail, expected to be completed in mid-summer 2024.

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2023

FINANCIAL HIGHLIGHTS - Continued

- At the close of the current fiscal year, the Washington Parish Government's funds reported combined fund balances of \$13,242,602, a decrease of \$227,712 in comparison with the prior year. The majority of this amount is restricted for specific purposes. See pg. 23 for additional detail on fund balances.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$2,230,925, or 65% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the Washington Parish Government's basic financial statements. The Washington Parish Government's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Washington Parish Government's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents financial information on all of the Washington Parish Government's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Washington Parish Government is improving or deteriorating.

The *Statement of Activities* presents information showing how the Washington Parish Government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Both of the government-wide financial statements distinguish functions of the Washington Parish Government that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Washington Parish Government include general government, public safety, highways and streets, health and welfare, culture and recreation, sanitation and hurricane relief and restoration. The business-type activities of the Washington Parish Government consist of a revolving loan program funded by the United States Department of Agriculture and the Choctaw Road Landfill.

The government-wide financial statements can be found on pages 17-18 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 Washington Parish Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Washington Parish Government can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. 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 Washington Parish Government maintains six major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for all major funds. Data from the other thirteen governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Nonmajor Governmental Funds section, under OTHER SUPPLEMENTARY INFORMATION of this report.

The Washington Parish Government adopts an annual appropriated budget for its general fund and each special revenue fund, as required by the Louisiana Local Government Budget Act. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with this budget.

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

The basic governmental fund financial statements can be found on pages 20-24 of this report.

Proprietary Funds. The Washington Parish Government maintains two proprietary funds, *Enterprise funds*. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Washington Parish Government uses enterprise funds to account for its USDA revolving loan and Choctaw Road landfill funds. The revolving loan fund is funded by the United States Department of Agriculture. The purpose of this fund is to assist individuals in the Parish with an additional source of funding for restricted business projects with the hope of aiding economic development in Washington Parish. The Choctaw Road Landfill Fund is a fund that accounts for the operations of the Choctaw Road Landfill, a solid waste disposal landfill.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 25-27 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire 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 28-57 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplemental information* concerning the Washington Parish Government's budgetary comparison information. Required supplemental information can be found on pages 59-67 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplemental information. Combining fund statements and schedules can be found on pages 71-78 of this report.

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2023

WASHINGTON PARISH GOVERNMENT'S NET POSITION

A condensed statement of net position is presented below in Table A-1.

TABLE A-1

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current assets	\$ 21,605,663	\$ 25,014,191	\$ 4,974,880	\$ 4,052,502	\$ 26,580,543	\$ 29,066,693
Capital Assets	<u>48,874,587</u>	<u>45,620,477</u>	<u>2,361,805</u>	<u>2,726,812</u>	<u>51,236,392</u>	<u>48,347,289</u>
TOTAL ASSETS	<u>70,480,250</u>	<u>70,634,668</u>	<u>7,336,685</u>	<u>6,779,314</u>	<u>77,816,935</u>	<u>77,413,982</u>
DEFERRED OUTFLOWS OF RESOURCES:	<u>3,192,134</u>	<u>810,175</u>	<u>-</u>	<u>-</u>	<u>3,192,134</u>	<u>810,175</u>
Current Liabilities	11,434,550	8,617,294	1,573,528	149,400	13,008,078	8,766,694
Non-current liabilities	<u>86,847</u>	<u>724,999</u>	<u>27,145</u>	<u>1,305,030</u>	<u>113,992</u>	<u>2,030,029</u>
TOTAL LIABILITIES	<u>11,521,397</u>	<u>9,342,293</u>	<u>1,600,673</u>	<u>1,454,430</u>	<u>13,122,070</u>	<u>10,796,723</u>
DEFERRED INFLOWS OF RESOURCES:	<u>590,117</u>	<u>2,995,070</u>	<u>-</u>	<u>-</u>	<u>590,117</u>	<u>10,855,078</u>
Net invested in capital assets	48,874,587	45,620,477	2,361,805	2,726,812	51,236,392	48,347,289
Restricted:						
Capital Projects	651,462	1,430,856	-	-	651,462	1,430,856
Health & Welfare	531,492	574,720	-	-	531,492	574,720
Solid waste disposal	1,771,861	1,556,918	-	-	1,771,861	1,556,918
Closure and post-closure	-	-	896,380	747,371	896,380	747,371
Highways & bridges	4,870,838	5,493,958	-	-	4,870,838	5,493,958
Other purposes	3,186,024	2,858,872	224,857	215,656	3,410,881	3,074,528
Unrestricted net position	<u>1,674,606</u>	<u>1,571,679</u>	<u>2,252,970</u>	<u>1,635,045</u>	<u>3,927,576</u>	<u>3,206,724</u>
TOTAL NET POSITION	<u>\$ 61,560,870</u>	<u>\$ 59,107,480</u>	<u>\$ 5,736,012</u>	<u>\$ 5,324,884</u>	<u>\$ 67,296,882</u>	<u>\$ 64,432,364</u>

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of Washington Parish Government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$67,296,882, at the close of the most recent fiscal year.

By far, the largest portion of the Washington Parish Government's net position (76%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, roads, bridges and other infrastructure), less any related outstanding debt that was used to acquire those assets. The Washington Parish Government uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Washington Parish Government's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2023

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS - Continued

An additional portion of the Washington Parish Government's net position (18%) represents resources that are subject to external restrictions on how they may be used. The remaining amount of \$3,927,576 represents unrestricted net position. At the end of the current fiscal year, the Washington Parish Government can report positive balances in all reported categories of ending net position. The Washington Parish Government's overall net position increased by \$2,864,518 during 2023, as discussed on pg. 5.

CHANGES IN NET POSITION

A condensed statement of changes in net position is presented below in Table A-2.

TABLE A-2

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program revenues						
Charges for services	\$ 978,803	\$ 818,453	\$ 1,014,370	\$ 901,358	\$ 1,993,173	\$ 1,719,811
Operating Grants & Contributions	4,466,365	2,804,570	-	-	4,466,365	2,804,570
Capital Grants & Contributions	1,061,845	273,086	-	-	1,061,845	273,086
General revenues:						
Property taxes	6,274,047	5,734,926	-	-	6,274,047	5,734,926
Sales taxes	11,121,765	9,311,492	-	-	11,121,765	9,311,492
Other taxes	589,750	524,353	-	-	589,750	524,353
Other	1,821,157	1,428,254	9,201	4,608	1,830,358	1,432,862
TOTAL REVENUES	26,313,732	20,895,134	1,023,571	905,966	27,337,303	21,801,100
EXPENSES						
General Government	7,517,380	4,781,900	-	-	7,517,380	4,781,900
Public Safety	4,032,702	2,699,605	-	-	4,032,702	2,699,605
Highway & streets	8,228,194	8,315,569	-	-	8,228,194	8,315,569
Health & welfare	1,158,940	1,166,811	-	-	1,158,940	1,166,811
Culture & recreation	1,148,126	1,181,473	-	-	1,148,126	1,181,473
Loan program	-	-	-	2,520	-	2,520
Landfill	-	-	2,387,443	2,191,641	2,387,443	2,191,641
TOTAL EXPENSES	22,085,342	18,145,358	2,387,443	2,194,161	24,472,785	20,339,519
INCREASE (DECREASE) IN NET POSITION BEFORE TRANSFERS	4,228,390	2,749,776	(1,363,872)	(1,288,195)	2,864,518	1,461,581
TRANSFERS	(1,775,000)	(1,840,000)	1,775,000	1,840,000	-	-
INCREASE IN NET POSITION	2,453,390	909,776	411,128	551,805	2,864,518	1,461,581
NET POSITION – BEGINNING	59,107,480	58,197,704	5,324,884	4,773,079	64,432,364	62,970,783
NET POSITION – ENDING	<u>\$ 61,560,870</u>	<u>\$ 59,107,480</u>	<u>\$ 5,736,012</u>	<u>\$ 5,324,884</u>	<u>\$ 67,296,882</u>	<u>\$ 64,432,364</u>

WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2023

CHANGES IN NET POSITION - Continued

Expenditure categories of each of Washington Parish Government's seven largest programs are described as - (1) General government includes the funding of the legislative, executive and the administrative office of the Parish government, building permit office operations, community services along with the funding of the following state mandated expenses: Court System (Judges, District Attorney, Court Reporters, Jurors and Witnesses), Justice of the Peace, Clerk of Court, Registrar of Voters, Assessor, (2) Highways and streets including both routine maintenance and capital projects for roads, drainage, bridges and road related equipment, (3) Public safety including state mandated expenses for the Sheriff along with those pertaining to the Parish jail and expenditures pertaining to Constables and 4th Ward Marshall, (4) Health and welfare including funding of the administrative and operational expenses of the Health Unit facilities in Bogalusa and Franklinton, the Animal Shelter, and state mandated expenses for the Coroner's office, (5) Culture and recreation including the administrative and operational expenses of both main branches and all smaller branches (located in various areas of the Parish) of the Library and the purchase, pre-construction and maintenance of the Recreation District #1, (6) Landfill costs relating to the construction and operation of the Choctaw Road landfill and (7) Revolving loan program operated on behalf of the USDA, providing low interest loans to qualifying small businesses.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the Washington Parish Government used fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Washington Parish Government's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Washington Parish Government's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Washington Parish Government itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Washington Parish Government's Council.

The General Fund reported a surplus of revenues and other financing sources over expenditures and other financing uses of \$675,935 resulting in an ending fund balance of \$2,230,925.

At December 31, 2023, the Washington Parish Government's governmental funds reported combined fund balances of \$13,242,602, a decrease of \$227,712 in comparison with the prior year. The unassigned portion of the fund balance is \$1,380,925 of the total balance and the Parish committed \$850,000 for disaster recovery and/or capital projects. \$10,819,928 is restricted for particular purposes. See Note 13 to the financial statements.

**WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

For the Year Ended December 31, 2023

TABLE A-3
WASHINGTON PARISH GOVERNMENT FUND BALANCES

FUND NAME	FUND BALANCE		% OF TOTAL	
	2023	2022	2023	2022
General Fund	\$ 2,230,925	\$ 1,554,990	16.85	11.53
Parish Transportation Fund	4,870,838	5,493,958	36.78	40.79
Sales Tax Split .67% Fund	1,674,045	1,462,935	12.64	10.85
Criminal Justice Sales Tax Fund	301,306	274,255	02.28	02.04
Road Improvement Fund	651,452	1,430,846	04.92	10.62
Courthouse Maintenance Fund	245,674	125,161	01.86	00.93
Health Unit Maintenance Fund	531,492	574,720	04.01	04.27
Criminal Court Fund	51,707	89,375	00.39	00.66
Library Fund	2,130,623	1,914,043	16.09	14.21
Special Witness Fund	21,573	25,767	00.16	00.19
Sales Tax Split 1% Fund	97,816	93,983	00.74	00.70
FEMA Disaster Recovery Fund	115,544	115,544	00.86	00.86
Criminal Jury Fund	94,195	112,029	00.71	00.83
Office of Homeland Security & Emergency Preparedness Fund	65,058	47,823	00.49	00.36
LCDBG Water Improvements Fund	10	10	00.01	00.01
Recreation District # 1 Fund	160,344	154,875	01.21	01.15
TOTAL	<u>\$ 13,242,602</u>	<u>\$ 13,470,314</u>	<u>100</u>	<u>100</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget.

The 2023 budget was based off 2022 projected actuals, with slight increases to revenues. In March of 2023, the American Rescue Plan Act Fund budget was amended to award an allocation of funding to the Parish Fire Protection Districts and Washington Parish Recreation District as sub recipients, in the amount of \$1,260,000. Contracted Asphalt Overlay Road bids came in 15% higher than budgeted. Therefore, to accept the project, the road improvement fund's (Fund 24) budget was amended to increase expenditures by approximately \$900,000 in April 2023. Later in the year all funds were amended to adjust fund balances to actual on December 31, 2022, and for the following major changes in revenue and expenditures: 1) Sales tax and ad valorem tax revenues were projected to be substantially higher than budgeted, 2) The ARPA (COVID funding) fund budget was amended to decrease revenues and expenditures of the Fire Districts and Recreation District allocation that would not be encumbered by year end, and we were not successful in securing a broadband project which was budgeted at \$3 million, and 3) Several Capital outlay projects funded in Special Revenue Funds did not proceed as expected and their budgets were adjusted accordingly in the final amended budget.

Final budget compared to actual results. The most significant differences between estimated revenues and actual revenues were as follows:

- Ad Valorem revenues across funds were, on average, 13.19% greater than projected.
- Sales tax revenues collected were 9.4% greater than projected.

**WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

For the Year Ended December 31, 2023

GENERAL FUND BUDGETARY HIGHLIGHTS – CONTINUED

- Actual interest revenues received represent increases of at least 19.7% over amounts projected.
- Expenditures for capital outlay in the road improvement fund were approximately 2.3% less than budgeted.
- All funds' expenditures were under budget, the General Fund's expenditures were 3.5% under budget.

CAPITAL ASSET ADMINISTRATION

Capital Assets. The Washington Parish Government's investment in capital assets for its governmental activities as of December 31, 2023, amounts to \$48,874,587. This investment in capital assets includes land, buildings, equipment, vehicles, roads, bridges and culverts. The total increase in capital assets for the current fiscal year was approximately 7%.

TABLE A-4
WASHINGTON PARISH GOVERNMENT'S CAPITAL ASSETS

Governmental Activities:

	2023	2022	Total Change 2023-2022
Capital Assets Not Being Depreciated:			
Land	\$ 3,045,285	\$ 2,991,152	\$ 54,133
Construction-in-progress	682,342	53,500	628,842
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	3,727,627	3,044,652	682,975
Other Capital Assets:			
Buildings	12,699,412	12,502,815	196,597
Equipment	9,983,944	9,687,265	296,679
Books	1,391,013	1,391,013	-
Asphalt roads	37,993,739	32,832,543	5,161,196
3-shot roads	8,878,127	9,598,380	(720,253)
Bridges and culverts	28,583,599	28,583,599	-
TOTAL OTHER CAPITAL ASSETS	99,529,834	94,595,615	4,934,219
TOTAL CAPITAL ASSETS	\$ 103,257,461	\$ 97,640,267	\$ 5,617,194

There was a net increase in capital assets in the amount of \$5,617,194 for the year ended December 31, 2023. Major capital asset events during the current fiscal year included the following:

- Asphalt overlay by DPW crew of 15.51 miles, at a cost of \$1,445,868.

**WASHINGTON PARISH GOVERNMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED**

For the Year Ended December 31, 2023

CAPITAL ASSET ADMINISTRATION - CONTINUED

- Asphalt overlay contracted with Barriere Construction for 28.32 miles, at a cost of \$3,774,438.
- Building modernization for the Courthouse and other Parish buildings at a cost of \$215,112.
- New and used road maintenance equipment was purchased at a cost of \$296,679.

Business-type Activities:

	2023	2022	Total Change 2023-2022
Capital assets not being depreciated			
Land	\$ 15,000	\$ 15,000	\$ -
Other Capital Assets			
Land	292,712	292,712	-
Buildings	233,376	233,376	-
Cells and land work	8,277,072	8,277,072	-
Drop off facility	185,575	185,575	-
Equipment	740,121	678,261	61,860
	9,728,856	9,666,996	61,860
TOTAL CAPITAL ASSETS	\$ 9,743,856	\$ 9,681,996	\$ 61,860

Additional information on the Washington Parish Government's capital assets can be found in Note 8 on pages 44-46 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

All funds of the Washington Parish Government were budgeted based on the projected revenues and expenditures of 2023.

- Sales tax revenues were budgeted based on 2023 projected actual amounts with an average 2% increase, based upon jurisdiction.
- Ad valorem taxes were budgeted based on the 2023 Washington Parish Assessor's millage report with a 4.29% increase, which has been the average increase for the last 10 years.
- Hospitalization insurance premiums were renewed with a 0% rate increase and Parochial Employees Retirement System employer match remained at 11.5%. All property insurance was budgeted with increases expected based upon the current market climate.

The Parish has budgeted conservatively for 2023, continuing to monitor expenditures. Considering the increase in sales and ad valorem tax revenues and growth in our fund balances, we feel confident in a gradual rise in our financial stability.

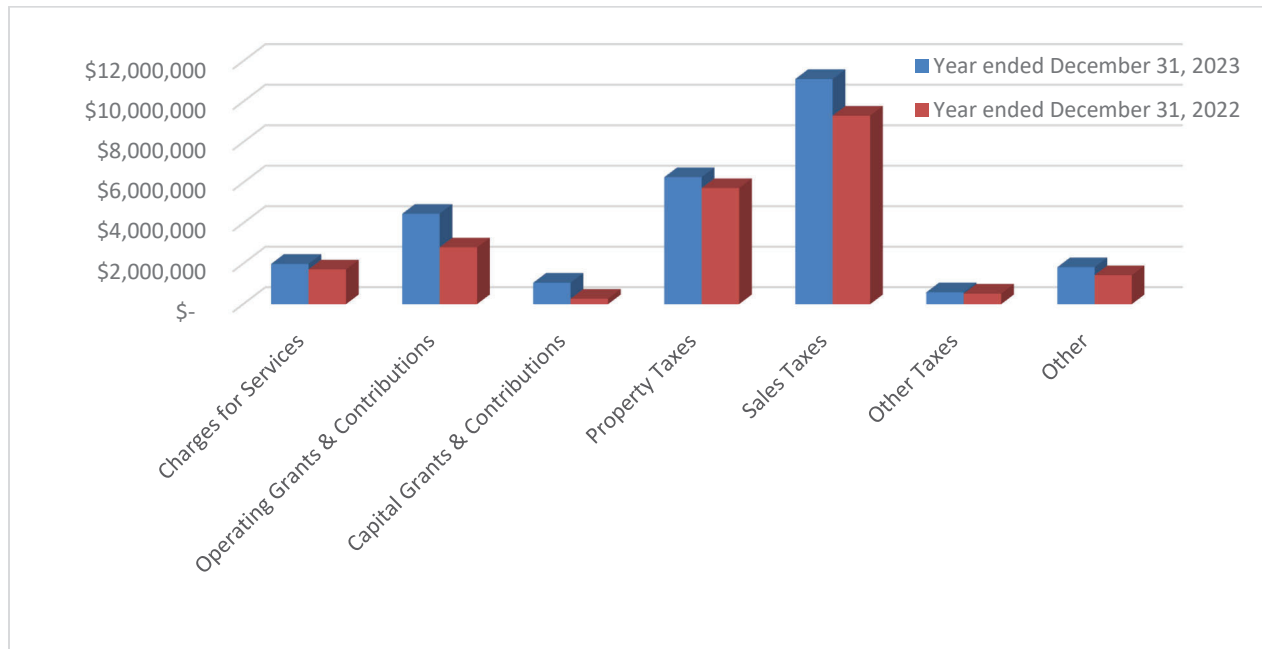
WASHINGTON PARISH GOVERNMENT MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

For the Year Ended December 31, 2023

REVENUES BY SOURCE

The following chart reflects the Parish's revenues for the years ended December 31, 2023 and 2022, by source:

<u>Revenues</u>	<u>2023</u>	<u>2022</u>	<u>Difference</u>
Charges for services	\$ 1,993,173	\$ 1,719,811	\$ 273,362
Operating grants and contributions	4,466,365	2,804,570	1,661,795
Capital grants and contributions	1,061,845	273,086	788,759
Property taxes	6,274,047	5,734,926	539,121
Sales taxes	11,121,765	9,311,492	1,810,273
Other taxes	589,750	524,353	65,397
Other	<u>1,830,358</u>	<u>1,432,862</u>	<u>397,496</u>
Total Revenues	<u>\$ 27,337,303</u>	<u>\$ 21,801,100</u>	<u>\$ 5,536,203</u>



REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Washington Parish Government's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 909 Pearl Street, Washington Parish Government, Franklinton, LA 70438, telephone number (985) 839-7825.

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

WASHINGTON PARISH GOVERNMENT
STATEMENT OF NET POSITION
December 31, 2023

	<u>Primary Government</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 10,459,812	\$ 4,080,440	\$ 14,540,252
Investments	706,431	-	706,431
Receivables	9,379,204	328,780	9,707,984
FEMA receivable	1,035,039	-	1,035,039
Prepays	-	19,519	19,519
Notes receivable - net	-	4,362	4,362
Due from other governments	25,177	-	25,177
Restricted investments	-	541,779	541,779
Capital assets:			
Land	3,045,285	15,000	3,060,285
Construction-in-progress	682,342	-	682,342
Other capital assets, net of depreciation	45,146,960	2,346,805	47,493,765
TOTAL ASSETS	70,480,250	7,336,685	77,816,935
DEFERRED OUTFLOWS OF RESOURCES			
Changes in proportion and differences between contributions and proportionate share of contributions	22,870	-	22,870
Changes in assumptions related to pension	76,836	-	76,836
Differences between expected and actual experience	89,015	-	89,015
Net difference between projected and actual investment earnings on pension plan investments	2,541,657	-	2,541,657
Contributions subsequent to the measurement date	461,756	-	461,756
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,192,134	-	3,192,134
LIABILITIES			
Accounts payable	2,130,171	135,369	2,265,540
Unearned revenue	6,247,458	-	6,247,458
Noncurrent liabilities			
Landfill closure and post-closure care costs	-	1,438,159	1,438,159
OPEB liability	649,318	-	649,318
Net pension liability	2,407,603	-	2,407,603
Due within one year - compensated absences	86,847	27,145	113,992
TOTAL LIABILITIES	11,521,397	1,600,673	13,122,070
DEFERRED INFLOWS OF RESOURCES			
Changes in assumptions related to OPEB	316,000	-	316,000
Changes in proportion and differences between contributions and proportionate share of contributions	8,858	-	8,858
Differences between expected and actual experience	265,259	-	265,259
TOTAL DEFERRED INFLOWS OF RESOURCES	590,117	-	590,117
NET POSITION			
Net investment in capital assets	48,874,587	2,361,805	51,236,392
Restricted for:			
Capital projects	651,462	-	651,462
Health and welfare	531,492	-	531,492
Solid waste disposal	1,771,861	-	1,771,861
Closure and post-closure	-	896,380	896,380
Highways and bridges	4,870,838	-	4,870,838
Other purposes	3,186,024	224,857	3,410,881
Unrestricted	1,674,606	2,252,970	3,927,576
TOTAL NET POSITION	\$ 61,560,870	\$ 5,736,012	\$ 67,296,882

WASHINGTON PARISH GOVERNMENT
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue & Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental Activities:							
General Government	\$ 7,517,380	\$ 831,118	\$ 2,817,324	\$ 1,061,845	\$ (2,807,093)	\$ -	\$ (2,807,093)
Public Safety	4,032,702	92,672	289,700	-	(3,650,330)	-	(3,650,330)
Highways and Streets	8,228,194	-	779,341	-	(7,448,853)	-	(7,448,853)
Health and Welfare	1,158,940	25,474	455,553	-	(677,913)	-	(677,913)
Culture and Recreation	1,148,126	29,539	124,447	-	(994,140)	-	(994,140)
Total	<u>22,085,342</u>	<u>978,803</u>	<u>4,466,365</u>	<u>1,061,845</u>	<u>(15,578,329)</u>	<u>-</u>	<u>(15,578,329)</u>
Business-type Activities:							
Landfill	2,387,443	1,014,370	-	-	-	(1,373,073)	(1,373,073)
Total business-type activities	<u>2,387,443</u>	<u>1,014,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,373,073)</u>	<u>(1,373,073)</u>
Total Primary Government	<u>\$ 24,472,785</u>	<u>\$ 1,993,173</u>	<u>\$ 4,466,365</u>	<u>\$ 1,061,845</u>	<u>(15,578,329)</u>	<u>(1,373,073)</u>	<u>(16,951,402)</u>
General Revenues and transfers:							
General Revenues:							
Property taxes, levied for general purpose					6,274,047	-	6,274,047
Sales taxes					11,121,765	-	11,121,765
State revenue sharing					191,887	-	191,887
Timber severance					249,474	-	249,474
Mineral severance					68,460	-	68,460
Other taxes					79,929	-	79,929
Fire insurance rebate					290,585	-	290,585
Licenses and permits					1,088,890	-	1,088,890
Unrestricted interest					329,652	9,201	338,853
Insuance proceeds					9,472	-	9,472
Pension contributions from non-employer contributing entities					58,289	-	58,289
Miscellaneous					44,269	-	44,269
Transfers					(1,775,000)	1,775,000	-
Total general revenues and transfers					<u>18,031,719</u>	<u>1,784,201</u>	<u>19,815,920</u>
Change in net position					2,453,390	411,128	2,864,518
Net position-beginning					<u>59,107,480</u>	<u>5,324,884</u>	<u>64,432,364</u>
Net position-ending					<u>\$ 61,560,870</u>	<u>\$ 5,736,012</u>	<u>\$ 67,296,882</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS (FFS)

WASHINGTON PARISH GOVERNMENT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023

	General Fund	Criminal Justice Sales Tax Fund	Parish Transportation Fund	Sales Tax Split .67% Fund	Road Improvement Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash	\$ 719,426	\$ 363,962	\$ -	\$ 1,458,573	\$ 393,141	\$ 5,528,417	\$ 1,996,293	\$ 10,459,812
Investments	-	-	212,790	-	-	-	493,641	706,431
Receivables	775,524	252,190	3,777,263	431,472	298,814	-	3,858,509	9,393,772
FEMA Receivable	-	-	-	-	-	-	1,035,039	1,035,039
Due from other funds	904,674	-	1,602,912	-	-	-	30,850	2,538,436
Due from other governmental units	25,177	-	-	-	-	-	-	25,177
TOTAL ASSETS	\$ 2,424,801	\$ 616,152	\$ 5,592,965	\$ 1,890,045	\$ 691,955	\$ 5,528,417	\$ 7,414,332	\$ 24,158,667
LIABILITIES								
Accounts payable	\$ 193,876	\$ 314,846	\$ 153,212	\$ 216,000	\$ 40,503	\$ 45,810	\$ 1,165,924	\$ 2,130,171
Unearned revenue	-	-	-	-	-	5,482,607	726,313	6,208,920
Due to other funds	-	-	568,915	-	-	-	1,969,521	2,538,436
TOTAL LIABILITIES	193,876	314,846	722,127	216,000	40,503	5,528,417	3,861,758	10,877,527
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	-	-	-	-	-	-	38,538	38,538
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	38,538	38,538
FUND BALANCES								
Nonspendable:								
Not in spendable form	-	-	153,211	-	-	-	38,538	191,749
Restricted	-	301,306	4,717,627	1,674,045	651,452	-	3,475,498	10,819,928
Committed	850,000	-	-	-	-	-	-	850,000
Unassigned	1,380,925	-	-	-	-	-	-	1,380,925
TOTAL FUND BALANCES	2,230,925	301,306	4,870,838	1,674,045	651,452	-	3,514,036	13,242,602
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,424,801	\$ 616,152	\$ 5,592,965	\$ 1,890,045	\$ 691,955	\$ 5,528,417	\$ 7,414,332	\$ 24,158,667

WASHINGTON PARISH GOVERNMENT
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2023

Total fund balances reported on the Balance Sheet of Governmental Funds	\$ 13,242,602
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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 current financial resources and therefore are not reported in the funds.	48,874,587
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The net effect of transactions involving ad valorem taxes	(14,568)
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Compensated absences for current period	(86,847)
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In accordance with Governmental Accounting Standards Board Statements No. 68, 71, and 75, the net pension asset and other post-employment benefits payable (OPEB) related to the pension and OPEB plans, deferred outflows of resources and deferred inflows of resources are not recorded in governmental funds

Net pension liability	(2,407,603)
OPEB payable	(649,318)

Deferred outflows of resources:

Change in assumptions related to pension	76,836
Contributions subsequent to the measurement date	461,756
Change in proportions	22,870
Differences between expected and actual experience	89,015
Net difference between projected and actual investment earnings on pension plan investments	2,541,657

Deferred inflows of resources:

Change in assumptions related to OPEB	(316,000)
Differences between expected and actual experience	(265,259)
Change in proportions	(8,858)

Total net position of governmental activities	<u>\$ 61,560,870</u>
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WASHINGTON PARISH GOVERNMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2023

	General Fund	Criminal Justice Sales Tax Fund	Parish Transportation Fund	Sales Tax Split .67% Fund	Road Improvement Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes								
Ad valorem	\$ 683,459	\$ -	\$ 3,463,089	\$ -	\$ -	\$ -	\$ 2,142,067	\$ 6,288,615
Sales	-	2,037,546	3,096,674	3,376,288	2,611,257	-	-	11,121,765
Other	79,929	-	-	-	-	-	-	79,929
Licenses and permits	1,088,890	-	-	-	-	-	-	1,088,890
Intergovernmental federal funds								
Federal grants	375,227	-	-	-	-	2,363,747	1,215,213	3,954,187
State funds								
Parish transportation funds	-	-	696,496	-	-	-	-	696,496
State revenue sharing	39,038	-	49,049	-	-	-	103,800	191,887
Other	899,805	-	-	-	-	-	366,746	1,266,551
Insurance proceeds	-	-	9,472	-	-	-	-	9,472
Fees, charges, etc.	623,688	92,672	-	-	-	-	94,796	811,156
Fines and penalties	-	-	-	-	-	-	167,647	167,647
Interest income	324,353	6,766	63,913	62,911	18,932	-	82,198	559,073
Other	-	18,254	5,997	-	-	-	20,018	44,269
TOTAL REVENUES	4,114,389	2,155,238	7,384,690	3,439,199	2,630,189	2,363,747	4,192,485	26,279,937
EXPENDITURES								
Current								
General government								
Legislative	213,837	-	-	-	-	-	-	213,837
Judicial	233,929	1,301,835	-	-	-	-	551,022	2,086,786
Executive	288,607	-	-	-	-	-	-	288,607
Elections	314,456	-	-	-	-	-	-	314,456
Finance and administrative	896,972	45,200	420,650	182,189	146,056	15,486	217,981	1,924,534
Other	775,946	-	-	-	-	-	-	775,946
Public safety	423,837	981,152	-	-	-	1,624,498	317,384	3,346,871
Health and welfare	250,277	-	-	-	-	14,120	911,389	1,175,786
Highway and streets	-	-	5,775,008	-	-	-	-	5,775,008
Culture and recreation	13,317	-	-	-	-	-	1,041,096	1,054,413

WASHINGTON PARISH GOVERNMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - Continued
For the Year Ended December 31, 2023

	<u>General Fund</u>	<u>Criminal Justice Sales Tax Fund</u>	<u>Parish Transportation Fund</u>	<u>Sales Tax Split .67% Fund</u>	<u>Road Improvement Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
EXPENDITURES (Continued)								
Capital outlay	26,876	-	29,018	-	5,163,527	709,643	1,631,341	7,560,405
TOTAL EXPENDITURES	<u>3,438,054</u>	<u>2,328,187</u>	<u>6,224,676</u>	<u>182,189</u>	<u>5,309,583</u>	<u>2,363,747</u>	<u>4,670,213</u>	<u>24,516,649</u>
Excess (deficiency) of revenues over expenditures	676,335	(172,949)	1,160,014	3,257,010	(2,679,394)	-	(477,728)	1,763,288
OTHER FINANCING SOURCES (USES)								
Operating transfers in	848,600	200,000	216,226	-	1,900,000	-	758,360	3,923,186
Operating transfers out	(849,000)	-	(1,999,360)	(2,829,900)	-	-	(19,926)	(5,698,186)
Excess sales tax split with other government entities	-	-	-	(216,000)	-	-	-	(216,000)
Total other financing sources (uses)	<u>(400)</u>	<u>200,000</u>	<u>(1,783,134)</u>	<u>(3,045,900)</u>	<u>1,900,000</u>	<u>-</u>	<u>738,434</u>	<u>(1,991,000)</u>
Net change in fund balance	675,935	27,051	(623,120)	211,110	(779,394)	-	260,706	(227,712)
Fund balances, beginning	<u>1,554,990</u>	<u>274,255</u>	<u>5,493,958</u>	<u>1,462,935</u>	<u>1,430,846</u>	<u>-</u>	<u>3,253,330</u>	<u>13,470,314</u>
Fund balances, ending	<u>\$ 2,230,925</u>	<u>\$ 301,306</u>	<u>\$ 4,870,838</u>	<u>\$ 1,674,045</u>	<u>\$ 651,452</u>	<u>\$ -</u>	<u>\$ 3,514,036</u>	<u>\$ 13,242,602</u>

WASHINGTON PARISH GOVERNMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2023

Net change in fund balances – total governmental funds \$ (227,712)

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

The net effect of transactions involving ad valorem taxes. (14,568)

Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. 3,254,110

The change in other post-employment benefits obligation and associated deferred inflows are reported in the statement of activities but does not require the use of current resources and is not reported as an expenditure in governmental funds. (80,633)

In accordance with Governmental Accounting Standards Board Statement No. 68 and 71, the net pension liability related to pension plans is not required to be reported in the governmental fund financial statements. Adjustments to pension expense related to changes in deferred outflows of resources and deferred inflows of resources are reflected in the statement of activities:

Net change in pension expense (533,067)
Contributions from non-employer contributing entities 58,289

Some expenditures reported in the governmental funds are not reported as expenses in the statement of activities. (3,029)

Change in net position of governmental activities \$ 2,453,390

WASHINGTON PARISH GOVERNMENT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2023

	Choctaw Road Landfill	USDA Revolving Loan Fund	Total Enterprise Funds
CURRENT ASSETS			
Cash and cash equivalents	\$ 3,859,945	\$ 220,495	\$ 4,080,440
Tipping fees receivable (net of allowance of \$3,321)	328,780	-	328,780
Prepaid expenses	19,519	-	19,519
TOTAL CURRENT ASSETS	<u>4,208,244</u>	<u>220,495</u>	<u>4,428,739</u>
NONCURRENT ASSETS			
Restricted assets - (Certificates of Deposit for landfill closure and post-closure care costs)	541,779	-	541,779
Notes receivable:			
Breedlove Farm, L.L.C.	-	702,139	702,139
Smith Creamery, L.L.C.	-	4,362	4,362
Less: allowance for doubtful accounts	-	(702,139)	(702,139)
Net notes receivable	<u>-</u>	<u>4,362</u>	<u>4,362</u>
Land	15,000	-	15,000
Other capital assets, net of depreciation	<u>2,346,805</u>	<u>-</u>	<u>2,346,805</u>
TOTAL ASSETS	<u>7,111,828</u>	<u>224,857</u>	<u>7,336,685</u>
CURRENT LIABILITIES			
Accounts payable and accrued expenses	135,369	-	135,369
TOTAL CURRENT LIABILITIES	<u>135,369</u>	<u>-</u>	<u>135,369</u>
NONCURRENT LIABILITIES			
Landfill closure and post-closure care costs	1,438,159	-	1,438,159
Compensated absences	27,145	-	27,145
TOTAL NONCURRENT LIABILITIES	<u>1,465,304</u>	<u>-</u>	<u>1,465,304</u>
TOTAL LIABILITIES	<u>1,600,673</u>	<u>-</u>	<u>1,600,673</u>
NET POSITION			
Net investment in capital assets	2,361,805	-	2,361,805
Restricted for:			
Closure and post-closure	896,380	-	896,380
Other purposes	-	224,857	224,857
Unrestricted	<u>2,252,970</u>	<u>-</u>	<u>2,252,970</u>
TOTAL NET POSITION	<u>\$ 5,511,155</u>	<u>\$ 224,857</u>	<u>\$ 5,736,012</u>

WASHINGTON PARISH GOVERNMENT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2023

	Choctaw Road Landfill	USDA Revolving Loan Fund	Total Enterprise Funds
	<u> </u>	<u> </u>	<u> </u>
OPERATING REVENUES			
Tipping fees	\$ 847,401	\$ -	\$ 847,401
Recycling fees	26,053	-	26,053
Interest	140,916	9,201	150,117
	<u> </u>	<u> </u>	<u> </u>
TOTAL OPERATING REVENUES	1,014,370	9,201	1,023,571
OPERATING EXPENSES			
Landfill operations	1,151,005	-	1,151,005
Depreciation	426,867	-	426,867
Recycling	12,786	-	12,786
Engineering and testing	172,046	-	172,046
Salaries and benefits	426,080	-	426,080
Insurance	38,205	-	38,205
Utilities	45,047	-	45,047
Repairs and maintenance	66,165	-	66,165
Office supplies	9,582	-	9,582
Accounting and auditing	8,686	-	8,686
Conference and travel	4,062	-	4,062
Telephone	2,125	-	2,125
Permits	21,305	-	21,305
Postage	212	-	212
Bank fees	1,761	-	1,761
Vehicles	1,509	-	1,509
	<u> </u>	<u> </u>	<u> </u>
TOTAL OPERATING EXPENSES	2,387,443	-	2,387,443
OPERATING INCOME (LOSS)	(1,373,073)	9,201	(1,363,872)
NON-OPERATING REVENUES			
Transfers in	1,775,000	-	1,775,000
TOTAL NON-OPERATING REVENUES	1,775,000	-	1,775,000
	<u> </u>	<u> </u>	<u> </u>
CHANGE IN NET POSITION	401,927	9,201	411,128
NET POSITION - BEGINNING OF YEAR	5,109,228	215,656	5,324,884
	<u> </u>	<u> </u>	<u> </u>
NET POSITION - END OF YEAR	\$ 5,511,155	\$ 224,857	\$ 5,736,012
	<u> </u>	<u> </u>	<u> </u>

WASHINGTON PARISH GOVERNMENT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2023

	Choctaw Road Landfill	USDA Revolving Loan Fund	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 933,462	\$ -	\$ 933,462
Payments to suppliers	(1,780,429)	(639)	(1,781,068)
Interest received	140,916	9,840	150,756
Payments to other funds	<u>-</u>	<u>(33,211)</u>	<u>(33,211)</u>
NET CASH USED IN OPERATING ACTIVITIES	(706,051)	(24,010)	(730,061)
CASH FLOWS FROM FINANCING ACTIVITIES			
Fixed asset purchases	(61,860)	-	(61,860)
Operating transfers in	<u>1,775,000</u>	<u>-</u>	<u>1,775,000</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>1,713,140</u>	<u>-</u>	<u>1,713,140</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED ASSETS	1,007,089	(24,010)	983,079
BALANCES - BEGINNING OF YEAR	<u>3,394,635</u>	<u>244,505</u>	<u>3,639,140</u>
BALANCES - END OF YEAR	<u>\$ 4,401,724</u>	<u>\$ 220,495</u>	<u>\$ 4,622,219</u>
RECONCILIATIONS OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Net operating income (loss)	\$ (1,373,073)	\$ 9,201	\$ (1,363,872)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	426,867	-	426,867
Decrease in tipping fees receivable	39,264	-	39,264
Decrease in due from City of Bogalusa	20,744	-	20,744
Decrease in due from other funds	-	798	798
Decrease in due to other funds	-	(34,009)	(34,009)
Increase in accounts payable and accrued expenses	22,162	-	22,162
Increase in prepaid expenses	(105)	-	(105)
Increase in landfill closure and post-closure care costs	<u>158,090</u>	<u>-</u>	<u>158,090</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (706,051)</u>	<u>\$ (24,010)</u>	<u>\$ (730,061)</u>

WASHINGTON PARISH GOVERNMENT
NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2023

INTRODUCTION

The Washington Parish Government is the governing authority for Washington Parish and is a political subdivision of the State of Louisiana. On November 17, 1998, a home rule charter became effective which provides for a Parish President (elected Parish-wide) and seven elected Councilmen representing the various districts within the Parish.

Louisiana Revised Statute (R.S.) 33:1236 gives the Parish government various powers in regulating and directing the affairs of the Parish and its inhabitants. The more notable of those is the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the Parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales taxes, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

Washington Parish covers an area of 670 square miles with a population of approximately 45,025. The Parish Government maintains 1,040 miles of roads, of which 416 miles are asphalt, 434 miles are 3-shot, and 190 miles are gravel.

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

Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 61, GASB Statement No. 80 and GASB Statement No. 90, establishes criteria for determining which component units should be considered part of the Washington Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

These criteria include:

- I. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Parish Government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or to impose specific financial burdens on the Parish Government.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

INTRODUCTION (Continued)

2. Organizations for which the Parish Government does not appoint a voting majority but are fiscally dependent and provide the potential for specific financial benefits to, or impose specific financial burdens on the Parish Government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Parish Government has determined that the following component units are part of the reporting entity. They have been blended because the Parish Government has operational responsibility for the component unit.

BLENDED COMPONENT UNITS

The Criminal Court Fund (the Fund) was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal court cases be transferred to the Parish treasurer and deposited into a special Criminal Court Fund account to be used for the expenses of the criminal court of the Parish. Expenditures are made from the Fund on motion of the district attorney and approval of the district judges or on motion of the district judges and approval of the district attorney. The Parish Government adopts a budget for the Fund. Separate financial statements are not issued for the Fund since it has been historically included as a fund within the Parish Government's financial statements.

The Washington Parish Library (the Library) was established by the Parish Government on November 14, 1945, under provisions of Louisiana Revised Statute 25:211. The Library is governed by a board of control, which is appointed by the Parish Government in accordance with the provisions of Louisiana Revised Statute 25:214. Although the Library is legally separate, the Parish Government approves its budget and levies and collects ad valorem taxes dedicated to the operation of the library system. Separate financial statements are not issued for the Library since it has been historically included as a fund within the Parish Government's financial statements.

The Washington Parish Office of Emergency Preparedness (OEP) was established by state law (R.S. 29:728) and is responsible for emergency mitigation, preparedness, response and recovery. The director is appointed by the Parish President and must be commissioned by the director of the state office of emergency preparedness. Operating expenses are partially reimbursed by the state office.

The Washington Parish Recreation District # 1 (the District) was established by the Parish government on May 11, 2009 under provisions of Louisiana Revised Statute Chapter 11, Title 33 to be a body corporate in law and a political subdivision of the State of Louisiana. The District is governed by a commission, which is appointed by the Parish Government. The District obtains

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

BLENDING COMPONENT UNITS (Continued)

funding from fundraisers and donations and covers all the costs of its expenses. Although the District is legally separate, separate financial statements are not issued for the District and the Parish Government is responsible for the accounting and financial reporting and will therefore include the District as a special revenue fund.

OTHER COMPONENT UNITS

The Parish Government has chosen to issue financial statements of the primary government (Parish Government) and blended component units only; therefore, none of the following listed component units are presented in the accompanying financial statements.

Component Unit	Fiscal Year End	Criteria Used
Riverside Medical Center-		
Hospital Service District No. 1	December 31	
Washington Parish Gas District No. 1	December 31	
Washington Parish Gas District No. 2	December 31	
Bogue Lusa Waterworks District	December 31	
Varnado Waterworks District	December 31	
Washington Parish Fire Protection District No. 1	December 31	
Washington Parish Fire Protection District No. 2	December 31	
Washington Parish Fire Protection District No. 3	December 31	
Washington Parish Fire Protection District No. 4	December 31	
Washington Parish Fire Protection District No. 5	December 31	
Washington Parish Fire Protection District No. 6	December 31	
Washington Parish Fire Protection District No. 7	December 31	
Washington Parish Fire Protection District No. 8	December 31	
Washington Parish Fire Protection District No. 9	December 31	
Washington Parish Communications District	December 31	
Washington Parish Tourism Commission	December 31	

Considered in the determination of component units of the reporting entity were the Washington Parish School Board and various municipalities in the Parish. It was determined that these governmental entities are not component units of the Washington Parish Government reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the Washington Parish Government.

Primary government officials may appoint some, or all, governing board members of organizations that are not included as component units in the primary government's reporting entity. These organizations are classified as related organizations.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by GASB. The accompanying financial statements of the Washington Parish Government have been prepared in conformity with such principles.

The financial statements include the following:

- Fund financial statements changed to focus on the major funds.
- Financial statements prepared using full accrual accounting for all of the Parish's activities, including infrastructure.

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 of the activities of the primary government. Governmental 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments 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 and propriety funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the proprietary fund statements.

WASHINGTON PARISH GOVERNMENT
NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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. The government considers revenues to be available if they are collected within 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 compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, franchise taxes, licenses, and interest 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 Washington Parish Government reports the following major governmental funds:

The **General Fund** is the Parish Government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **American Rescue Plan Act Fund** accounts for the receipt and expenditures of funds for amounts received from the American Rescue Plan Act.

The **Parish Transportation Fund** is a special revenue fund which accounts for constructing, improving, and maintaining public roads and bridges in the Parish. Financing is provided by the State of Louisiana Parish Transportation Fund, ad valorem taxes, and state revenue sharing funds. The 4.13 mill ad valorem tax expires in 2026 and the 10 mill ad valorem tax expires in 2031.

The **Sales Tax Split .67% Fund** is a special revenue fund which accounts for the rededication of a 1992 sales tax of 1% that was reduced to .67% by voters on April 6, 2002 that also rededicated the proceeds of the tax in excess of that needed for solid waste.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The **Road Improvement Fund** accounts for the constructing, improving and resurfacing of public roads and bridges in the Parish including incidental drainage and the acquisition of equipment thereof. The .33% sales and use tax is the primary source of funding as approved by Washington Parish Resolution 16-742.

The **Criminal Justice Sales Tax Fund** is a special revenue fund which accounts for the .33% sales and use tax dedicated solely for providing, maintaining, administering and operating services and facilities in the civil, juvenile and criminal justice systems mandated by state statute, approved by voters on October 19, 2013 for a period of 10 years, effective January 1, 2014, expiring on December 31, 2024.

The Washington Parish Government reports the following major proprietary funds:

The **USDA Revolving Loan Fund** is an enterprise fund that accounts for a grant from the U.S. Department of Agriculture to establish a revolving loan fund to facilitate the development of small and emerging private business, industry, and related employment for improving the economy in rural communities.

The **Choctaw Road Landfill Fund** is an enterprise fund that accounts for the operations of the Choctaw Road Landfill, a solid waste disposal landfill.

The Parish Government was a participant with the City of Bogalusa (the City) to construct and operate the Choctaw Road Landfill, a solid waste disposal landfill, which operated as a joint venture until 2020. In May 2020, an Act of Sale was signed transferring ownership of the Landfill to the Parish Government, thus dissolving the Joint Venture agreement between the Parish Government and the City of Bogalusa, effective December 31, 2019.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Deposits and Investments

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash and cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Parish may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana, mutual funds and bonds, debentures and notes or other evidence of indebtedness issued or guaranteed by Federal agencies provided such obligations are backed by full faith and credit of the United States of America.

D. Receivables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal years is referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental activity’s column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The following table states the Parish’s thresholds for capitalizing capital assets and the estimated useful lives of capital assets:

Governmental activities:

<u>Description</u>	<u>Capitalization Threshold</u>	<u>Estimated Useful Lives</u>
Buildings	\$5,000	40 years
Building Improvements	\$5,000	5-20 years
Office Equipment	\$5,000	5 years
Other Equipment	\$5,000	7 years
Vehicles	\$5,000	5-7 years
Heavy Equipment	\$5,000	10-15 years
Infrastructure:		
Roads	\$25,000	15-20 years
Bridges	\$25,000	15-70 years

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Capital Assets (Continued)

Business-type activities:

<u>Description</u>	<u>Capitalization Threshold</u>	<u>Estimated Useful Lives</u>
Landfill property	\$1,000	53.75 years
Cells and land work	\$1,000	6-20 years
Buildings/drop off facility	\$1,000	34-45 years
Equipment	\$1,000	5-15 years

All capital assets, other than land, are depreciated using the straight-line method. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Bridges were valued using estimated historical cost. The Louisiana Department of Transportation and Development maintains a listing of Parish Bridges that includes the construction date and estimated replacement cost. Using this list, along with the consumer price index, historical cost was estimated by the Parish Government's engineer.

The Parish began the majority of the reconstruction of Parish roads after the voters of Washington Parish approved the following additional taxes:

- 10 mill ad valorem tax
- 1% sales tax (unincorporated areas of the Parish)
- .33% sales tax (Parish wide)

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is not utilized in the governmental funds.

G. Compensated Absences

In accordance with ordinance no.19-661, the Parish adopted a revised and restated employee handbook, including the following vacation and sick time:

<u>Years of Service</u>	<u>8-Hour Days</u>
1-2 years	5 days
3-7 years	10 days
8-14 years	15 days
15 years & greater	20 days

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Compensated Absences (Continued)

Employees are allowed to carryover up to 80 hours of vacation leave, under a use or lose assumption; however, an employee may be paid unused vacation time upon retirement.

Sick leave accrues at one day per month with a maximum accumulation of 60 days and is not paid upon termination, but may be paid out at retirement. Upon application for retirement by an employee who has served the Parish for 20 years or more, the employee may be paid accrued sick leave not to exceed 72 days.

Employees may opt to convert any accumulated, unused and unpaid sick or annual leave to additional retirement benefit credit upon application for normal retirement with the Parochial Employees' Retirement System of Louisiana.

H. Long-Term Liabilities

In the government-wide financial statements, and the propriety fund types in the fund financial statements, long-term liabilities are reported as liabilities.

I. Fund Equity

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

1. Non-spendable Fund Balances – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted Fund Balance – amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed by grantors, creditors, or citizens.
3. Committed Fund Balance – amounts that can be used only for specific purposes determined by a formal action by the Parish Council ordinance or resolution.
4. Assigned Fund Balance – amounts that are constrained by the Parish's intent that they will be used for specific purposes.
5. Unassigned Fund Balance – all amounts not included in the other spendable classifications.

The Parish considers restricted fund balances spent for governmental expenditures first when both restricted and unrestricted resources are available. The Parish also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

K. Estimates

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

L. Sales Taxes Changes

On September 27, 1986 the voters of Washington Parish outside the corporate limits of the City of Bogalusa approved for an indefinite period of time, a 1% sales tax. The proceeds of the sales tax, after administrative expenses, were dedicated to the costs of acquiring, operating, and maintaining solid waste disposal facilities.

On April 11, 1992 the voters decided to rededicate and reallocate the above-mentioned sales tax so that the proceeds in excess of those needed for the solid waste disposal facilities would go to:

1. 45% to pay the costs of services which the Parish is legally obligated to pay under the laws of Louisiana;
2. 44.14% to be placed in the Parish Transportation Fund to be used for constructing, maintaining and improving public roads, highways and bridges in the Parish, to the extent that such projects qualify as allowable Parish Transportation Fund projects;
3. 9.72% to be used for constructing, maintaining and improving public roads, highways and bridges, for constructing, maintaining and improving drainage facilities and for economic development in the Town of Franklinton (provided that for five years after the effective date of this rededication, 80% of the portion described in this part (3) shall be used for economic development);

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Sales Taxes Changes (Continued)

4. 0.57% to be used for constructing, maintaining and improving public roads, highways and bridges in the Village of Angie; and
5. 0.57% to be used for constructing, maintaining and improving public roads, highways and bridges in the Village of Varnado.

These tax proceeds were recorded in the Sales Tax Split 1% Fund until 2002, at which time the voters reduced the tax to .67% which is now recorded in a separate fund. The remaining fund balance of the 1% fund is restricted for sanitation and other state mandated costs. The fund only records interest income on investments as revenues and transfers out for state mandated costs.

On April 6, 2002 the voters approved a proposition to reduce the 1.00% sales tax, Parish-wide except Bogalusa, to .67% and rededicate the proceeds of the tax in excess of that needed for administering and maintaining solid waste disposal facilities as follows:

- 68% for cost of services, Parish is legally obligated to pay,
- 15% for Parish roads and bridges,
- 15% to the Town of Franklinton,
- 1% to the Village of Angie, and
- 1% to the Village of Varnado.

Washington Parish Government Collections on Behalf of Other Taxing Authorities

	<u>Annual Totals – 2023 Tax Period</u>	
	<u>Total</u>	<u>Final</u>
	<u>Collections</u>	<u>Distribution</u>
Town of Franklinton (15%)	\$ 190,600	\$ 190,600
Village of Angie (1%)	12,700	12,700
Village of Varnado (1%)	<u>12,700</u>	<u>12,700</u>
Totals	<u>\$ 216,000</u>	<u>\$ 216,000</u>

The Parish does not charge a collection cost on taxes collected on behalf of other taxing authorities.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued) As of and for the Year Ended December 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Sales Taxes Changes (Continued)

On April 6, 2002 the voters, also, approved a parish-wide .33% sales and use tax dedicated solely for constructing, improving, maintaining and resurfacing Parish roads and bridges, including incidental drainage and the acquisitions of equipment thereof. The tax was levied beginning July 1, 2002. On November 5, 2002, the voters approved a 1% sales and use tax for all unincorporated areas of the Parish dedicated solely for constructing, improving, maintaining and resurfacing Parish roads and bridges, including incidental drainage and the acquisitions of equipment thereof. The tax was levied beginning January 1, 2003.

On October 19, 2013, the voters approved a .33% sales and use tax, to be collected parish-wide, except in the Town of Franklinton, dedicated solely for providing, maintaining, administering and operating services and facilities in the civil, juvenile and criminal justice systems mandated by state statute, for a period of ten (10) years. The tax was levied beginning January 1, 2014, and renewed during 2023 for an additional ten (10) years, commencing on January 1, 2024.

M. Intangible Assets

Intangible assets include easements, computer software, patents, copyrights, trademarks and goodwill. The Parish records reportable intangible assets that meet the capitalization threshold for intangible assets in accordance with Governmental Accounting Standards Board (GASB) Statement No. 51 "Accounting and Financial Reporting for Intangible Assets".

N. New Pronouncements

During the year ended December 31, 2023, the Parish adopted GASB Statement No. 96, "Subscription Based Information Technology Arrangements" (SBITAs). The object of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for SBITAs. This Statement increases the usefulness of the government's financial statements by requiring recognition of certain SBITAs that previously were classified as operating costs and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a model for SBITAs accounting based on the fundamental principal that SBITAs are financings of the right to use an underlying information technology asset. Under this statement, a government is required to recognize a subscription liability and an intangible right to use subscription asset, and a lessor is required to recognize as subscription receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' SBITAs. The implementation of this GASB did not have an impact on the Parish's financial statements. See related NOTE 21 – SBITA OBLIGATIONS.

WASHINGTON PARISH GOVERNMENT
NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

1. The President submits to the Council a proposed operating budget at least sixty days prior to the beginning of each fiscal year. The operating budget includes proposed expenditures and total anticipated revenues.
2. At the meeting of the Council at which the operating budget is submitted, the Council orders a public hearing.
3. At least ten days prior to the date of such hearing the Council publishes in the official journal a general summary of the proposed budget.
4. The budget is adopted not later than 30 days before the end of the fiscal year.
5. At any time during the year the President may transfer part or all of any unencumbered appropriation within programs, except that no transfer can be made to or from the salary account unless approved by the Council by ordinance
6. Every appropriation, except an appropriation for a capital expenditure, lapses at the close of the fiscal year to the extent that it has not been expended or encumbered.

Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted or as amended from time to time by the Parish Council.

3. LEVIED TAXES

The following is a listing of levied millages for ad valorem taxes:

	Levied Millage	Expiration Date
Parish-wide Taxes:		
General Fund:		
Inside	1.85	Indefinite
Outside	3.70	Indefinite
Special Revenue Funds:		
Library	4.60	2026
Parish Transportation	4.13	2026
Road Improvement	10.00	2031
Courthouse Maintenance	1.03	2026
Health Unit Maintenance	<u>3.11</u>	2026
	<u>28.42</u>	

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

4. CASH AND INVESTMENTS

Cash

At December 31, 2023, the Parish Government had cash and cash equivalents (book balances) totaling \$14,540,252 as follows:

Interest-bearing demand deposits	\$ 14,540,152
Petty cash	100
Total	<u>\$ 14,540,252</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. 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, 2023, the Parish Government had \$16,146,587 in deposits (collected bank balances). These deposits are secured from risk by \$750,000 of federal deposit insurance and \$20,486,419 pledged securities.

Even though the pledged securities are considered uncollateralized, (State Law R.S. 39:1229) imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish Government that the fiscal agent has failed to pay deposited funds upon demand.

Investments

Custodial Credit Risk – Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the Parish will be able to recover the value of its investments or collateral securities that are in the possession of an outside party investment. The Parish investment policy requires that all repurchase agreement investments be fully collateralized and held by the counterparty's trust department or agent in the Parish's name. Investments in external investment pools, mutual funds, and other pooled investments are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission. At year-end, the Parish investments were not exposed to any custodial credit risk.

Hancock Whitney – Certificates of Deposits	\$ 985,149
Resource Bank:	
Certificates of Deposits	165,248
Cash held in Money Market Investment	<u>97,814</u>
Total	<u>\$ 1,248,211</u>

Interest Rate Risk - Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. The Parish's investment policy limits interest rate risk by generally limiting maturities of its investments to one year or less.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

4. CASH AND INVESTMENTS (Continued)

Credit Risk and Concentration of Credit Risk - The credit risk of investments is the risk that an issuer or other counterparty will not meet its obligations. This credit risk is measured by credit quality ratings as described by ratings agencies such as Standard & Poor’s (S&P) and Moody’s. The concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools). The Parish’s investment policy does not place a limit on the amount the Parish may invest in any one issuer.

5. RECEIVABLES

Governmental Activities

The receivables of \$10,414,243 at December 31, 2023, were as follows:

Class of Receivable	Governmental Activities						
	General Fund	Parish Transportation Fund	Sales Tax Split .67% Fund	Road Improvement Fund	Criminal Justice Sales Tax Fund	Other Governmental Funds	Total
Taxes:							
Ad Valorem	\$ 657,988	\$ 3,275,678	\$ -	\$ -	\$ -	\$ 2,050,682	\$ 5,984,348
Sales and Use	-	459,723	431,472	298,814	244,493	-	1,434,502
Intergovernmental:							
Federal	59,411	-	-	-	-	2,522,363	2,581,774
State	54,930	32,035	-	-	-	292,228	379,193
Local	4,531	-	-	-	7,697	22,198	34,426
TOTAL	<u>\$ 776,860</u>	<u>\$ 3,767,436</u>	<u>\$ 431,472</u>	<u>\$ 298,814</u>	<u>\$ 252,190</u>	<u>\$ 4,887,471</u>	<u>\$ 10,414,243</u>

The Parish uses the direct write-off method to write off the majority of general uncollectible accounts receivable. This method approximates methods in accordance with generally accepted accounting principles.

Business-type Activities

Accounts receivable consists of one type of receivable. Tipping fees (landfill use fees) totaling \$328,780 represent fees billed through December 31, 2023, but not yet collected. The allowance for doubtful accounts on these receivables at December 31, 2023 was \$3,321.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

6. NOTES RECEIVABLE

In 2002, the Parish received a Federal grant of \$975,000 to establish a revolving loan fund to businesses to improve the economy in rural parts of the Parish. The entire \$975,000 was loaned to Richard and Penny Breedlove Farm, L.L.C. on October 18, 2002, at an interest rate of 2.75%. The Breedlove's were to repay the loan in 120 monthly payments of \$9,320 including interest. Collection of the loan became doubtful. In 2006 the property was seized in foreclosure proceedings. In 2008, all movable and immovable property was transferred to the Washington Parish Government. Currently, the Parish is in the process of selling the property. As of December 31, 2022, a portion of the immovable property was sold thus reducing the note receivable by \$63,838.

Notes receivable, December 31, 2023:

Breedlove Farm, L.L.C.	\$ 702,139
Smith Creamery, L.L.C.	4,362
Allowance for doubtful account	<u>(702,139)</u>
Notes receivable, net of allowance for doubtful account	<u>\$ 4,362</u>

7. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and federal laws and regulations require the Washington Parish Government to place a final cover on the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. In addition to operating expenses relating to current activities of the Landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the Landfill no longer accepts waste. The recognition of these Landfill closure and post-closure care costs is based on the amount the Landfill used during the year.

The estimated total current cost liability for landfill closure and post-closure care costs is \$2,584,529 as of December 31, 2023. It is estimated that \$1,041,660 will be recognized as closure costs, which is based on 66.66% usage (filled) of the landfill. The percentage usage reflects an update in the engineering estimate, and the related estimated liability for landfill closure and post-closure costs required by the Louisiana Department of Environmental Quality (LDEQ) regulations. The remaining \$1,542,869 is the estimated liability for post-closure care costs. The estimated total current cost liability for landfill closure and post-closure care costs, after adjusting for present worth, is \$2,240,610 as of December 31, 2023. However, the actual costs of closure and post-closure care may be higher due to inflation, in excess of the assumed rate of 1%, over the 30-year post-closure period, changes in technology, or changes in landfill laws and regulations.

In addition, total closure and post-closure costs, as well as estimates of percentage usage of the Landfill, will change as any additional cells are permitted to accept additional waste.

There was an increase in costs between the end of 2022 and the end of 2023.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

7. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS (Continued)

Cumulative capacity used is defined as the number of years the Landfill has actually been operating under the permit issued by the LDEQ. Total estimated capacity is defined as the life of the entire property as stated in the current permit issued by LDEQ.

The estimated total current costs of the Landfill are recognized as an expense and as a liability in each period that the Landfill accepts solid waste. The current-period amount was based on the following formula:

$$\begin{array}{rcccl} \text{Estimated total} & & \text{Cumulative} & & \\ \text{current costs} & \times & \frac{\text{capacity used}}{\text{Total estimated}} & - & \text{Amount previously} \\ & & \text{capacity} & & \text{recognized} \end{array}$$

Expressed in numbers, the formula produces an expense for 2023 as follows:

$$\$2,240,610 \times \frac{34.5 \text{ yrs.}}{53.75 \text{ yrs.}} = \$1,438,159 - \$1,280,069 = \$158,090$$

At December 31, 2023, the Landfill had invested \$541,779 in certificates of deposit for landfill closure and post-closure care costs.

8. CAPITAL ASSETS

The following is a summary of the changes in capital assets for the year ended December 31, 2023:

Business-type Activities:

	<u>Balance at</u> <u>01/01/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>12/31/2023</u>
Capital assets not being depreciated				
Land	\$ 15,000	\$ -	\$ -	\$ 15,000
	15,000	-	-	15,000
Other Capital Assets				
Land	292,712	-	-	292,712
Buildings	233,376	-	-	233,376
Cells and land work	8,277,072	-	-	8,277,072
Drop off facility	185,575	-	-	185,575
Equipment	678,261	61,860	-	740,121
	<u>9,666,996</u>	<u>61,860</u>	<u>-</u>	<u>9,728,856</u>
 TOTAL CAPITAL ASSETS	9,681,996	61,860	-	9,743,856
 ACCUMULATED DEPRECIATION	<u>(6,955,184)</u>	<u>(426,867)</u>	<u>-</u>	<u>(7,382,051)</u>
 TOTAL CAPITAL ASSETS, NET	<u>\$ 2,726,812</u>	<u>\$ (365,007)</u>	<u>\$ -</u>	<u>\$ 2,361,805</u>

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)

As of and for the Year Ended December 31, 2023

8. CAPITAL ASSETS (Continued)

Governmental Activities

	<u>Balance</u> <u>01/01/2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2023</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,991,152	\$ 65,240	\$ (11,107)	\$ 3,045,285
Construction in progress	<u>53,500</u>	<u>628,842</u>	<u>-</u>	<u>682,342</u>
 Total capital assets not being depreciated	 3,044,652	 694,082	 (11,107)	 3,727,627
Other capital assets:				
Buildings	12,502,815	215,112	(18,515)	12,699,412
Equipment	9,687,265	296,679	-	9,983,944
Books	1,391,013	-	-	1,391,013
Asphalt roads	32,832,543	5,220,306	(59,110)	37,993,739
3-shot roads	9,598,380	-	(720,253)	8,878,127
Bridges and culverts	<u>28,583,599</u>	<u>-</u>	<u>-</u>	<u>28,583,599</u>
	94,595,615	5,732,097	(797,878)	99,529,834
Less accumulated depreciation for:				
Buildings	(6,660,854)	(426,093)	18,515	(7,068,432)
Equipment	(6,858,734)	(506,625)	-	(7,365,359)
Books	(1,391,013)	-	-	(1,391,013)
Asphalt roads	(22,379,482)	(1,282,745)	59,110	(23,603,117)
3-shot roads	(4,593,057)	(296,119)	720,253	(4,168,923)
Bridges and culverts	<u>(10,136,650)</u>	<u>(649,380)</u>	<u>-</u>	<u>(10,786,030)</u>
Total accumulated depreciation	<u>(52,019,790)</u>	<u>(3,160,962)</u>	<u>797,878</u>	<u>(54,382,874)</u>
Other capital assets, net	<u>42,575,825</u>	<u>2,571,135</u>	<u>-</u>	<u>45,146,960</u>
 Totals	 <u>\$ 45,620,477</u>	 <u>\$ 3,265,217</u>	 <u>\$ (11,107)</u>	 <u>\$ 48,874,587</u>

Depreciation expense of \$3,160,962 for the year ended December 31, 2023, was charged to the following governmental functions:

General government	\$ 150,178
Public safety	168,221
Highways and streets	2,678,266
Health and welfare	70,584
Culture and recreation	<u>93,713</u>
	<u>\$ 3,160,962</u>

WASHINGTON PARISH GOVERNMENT
 NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
 As of and for the Year Ended December 31, 2023

8. CAPITAL ASSETS (Continued)

The State of Louisiana through their Off-System Bridge Replacement Program, did not replace bridges and culverts throughout Washington Parish during the year ended December 31, 2023.

9. INTERFUND TRANSFERS

Details about interfund transfers from other funds during 2023 follow:

	Transfers In:						Total
	General Fund	Parish Transportation Fund	Road Improvement Fund	Criminal Justice Sales Tax Fund	Nonmajor Governmental Funds	Choctaw Road Landfill Enterprise Fund	
Transfers out:							
General Fund	\$ -	\$ -	\$ -	\$ 200,000	\$ 649,000	\$ -	\$ 849,000
Sales Tax Split .67 Fund	848,600	206,300	-	-	-	1,775,000	2,829,900
Parish Transportation Fund	-	-	1,900,000	-	99,360	-	1,999,360
Nonmajor Governmental Funds	-	9,926	-	-	10,000	-	19,926
Total	<u>\$ 848,600</u>	<u>\$ 216,226</u>	<u>\$ 1,900,000</u>	<u>\$ 200,000</u>	<u>\$ 758,360</u>	<u>\$ 1,775,000</u>	<u>\$ 5,698,186</u>

Transfers are used to 1) move revenues from the fund for sanitation (Choctaw Road Landfill Enterprise Fund) and other state mandated costs, 2) move revenues from the general fund, with collection authorization, to the fund accounting for the activity (Parish government mandated responsibility), 3) move funds to the Road Improvement Fund to finance road maintenance costs in accordance with budgetary authorizations.

10. ON-BEHALF PAYMENTS

GASB Statement No. 24 establishes accounting and financial reporting standards for passthrough grants and on-behalf payments for fringe benefits and salaries. During the year 2023, the state paid salaries of \$275,000 directly to Parish Government employees on behalf of the Parish Government. This amount has been included in the financial statements in intergovernmental revenues and salaries expenditures.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

11. CHANGES IN GENERAL LONG-TERM LIABILITIES

Governmental Activities

The following is a summary of the long-term liability transactions:

	<u>Balance</u> <u>01/01/23</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>12/31/23</u>	<u>Current</u> <u>Portion</u>
Compensated absences	\$ 106,032	\$ 3,342	\$ (22,527)	\$ 86,847	\$ 86,847
TOTAL	\$ 106,032	\$ 3,342	\$ (22,527)	\$ 86,847	\$ 86,847

Business-type Activities

The Choctaw Road Landfill Fund has \$27,145 accrued for compensated absences as of December 31, 2023, which is recorded in accounts payable and accrued expenses. This amount increased \$2,184 from the prior year.

12. PENSION PLAN

Substantially all employees of the Parish are members of the Parochial Employees' Retirement System (PERS).

General Information about the Pension Plan

Plan Description – Employees of the Parish are eligible for participation in the Parochial Employees' Retirement System of Louisiana (the "System") – a cost-sharing, multiple-employer defined benefit pension plan administered by a Board of Trustees and established by Act 205 of the 1952 Regular Session of the Louisiana Legislature. The System issues a publicly available financial report that can be obtained at www.persla.org. The report may also be obtained by writing to the Parochial Employees' Retirement System of Louisiana, 7905 Wrenwood Boulevard, Baton Rouge, Louisiana 70809, or by calling (225) 928-1361.

Contributions – Per Act 765 of the 1979 Regular Session of the Louisiana Legislature, contribution rates for employees are established by state law and employer contribution rates are actuarially determined each year by the System's Board of Trustees. Employees are required to contribute 9.50% of their annual pay. The Parish's contractually required contribution rate was 11.50% for the period ended December 31, 2023.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

12. PENSION PLAN (Continued)

General Information about the Pension Plan (continued)

Contributions to the System from the Parish were \$461,756 for the year ended December 31, 2023.

Benefits Provided – The System provides retirement, disability, and death benefits. Retirement benefits are determined as 3.0% of the employee’s final compensation multiplied by the employee’s years of creditable service. Employees hired prior to January 1, 2007 who retire at or after age 65 with at least 7 years of creditable service, age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3.0% of their final-average compensation multiplied by his/her years of creditable service. Employees hired after January 1, 2007 who retire at or after age 67 with at least 7 years of creditable service, age 62 with at least 10 years of creditable service, or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3.0% of their final-average compensation multiplied by his/her years of creditable service. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Under state law, cost of living increases to benefits are allowable only if sufficient funds are available from investment income in excess of normal requirements. Cost of living increases cannot exceed 2% of the retiree’s original benefit for each full calendar year since retirement.

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

At December 31, 2023, the Parish reported a liability of \$2,407,603 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Parish’s proportion of the net pension liability was based on a projection of the Parish’s December 31, 2023 contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2022, the Parish’s proportion was 0.625548%, which was an increase of 0.008966% from its proportion measured as of December 31, 2021. For the year ended December 31, 2023, the Parish recognized pension expense of \$474,778. At December 31, 2023, the Parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

12. PENSION PLAN (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 89,015	\$ 265,259
Changes of assumptions	76,836	-
Changes in proportion	22,870	8,858
Net difference between projected and actual investment earnings on pension plan investments	2,541,657	-
Contributions subsequent to the measurement date	461,756	-
	\$ 3,192,134	\$ 274,117

\$461,756 is reported as deferred outflows of resources related to pensions resulting from the Parish's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>For the Year Ended:</u>	
December 31, 2024	\$ 86,365
December 31, 2025	420,794
December 31, 2026	809,688
December 31, 2027	1,139,414

Actuarial Assumptions - The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.30%
Projected Salary Increases:	4.75% (2.30% Inflation, 2.45% Merit)
Investment Rate of Return:	6.40%, net of investment expense, including inflation

Mortality Rate: Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2018 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 MP2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2018 scale for disabled annuitants.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

12. PENSION PLAN (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 6.40%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers 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.

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 2.10% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.70% for the year ended December 31, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	33.00%	1.17%
Equity	51.00%	3.58%
Alternatives	14.00%	0.73%
Real Assets	<u>2.00%</u>	<u>0.12%</u>
Total	100.00%	5.60%
Inflation		<u>2.10%</u>
Expected Arithmetic Nominal Return		7.70%

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

12. PENSION PLAN (Continued)

Mortality Rate - The mortality rate assumption used in the December 31, 2022, valuation was set based upon an experience study performed on plan data for the period January 1, 2013 through December 31, 2017. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale. For Disabled annuitants, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2018 scale.

Sensitivity of the Parish’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the Parish’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.40%, as well as what the Parish’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:

	1.0% Decrease <u>(5.40%)</u>	Current Discount Rate <u>(6.40%)</u>	1.0% Increase <u>(7.40%)</u>
The Parish’s Proportionate Share of the Net Pension Liability (Asset)	\$ 5,495,084	\$ 2,407,603	\$(565,666)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued System financial report.

Payables to the Pension Plan – As of December 31, 2023 the Parish had a payable of \$19,657 to the Pension Plan.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

13. FUND BALANCES

Governmental Funds:

Description:	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Special Revenue Funds	Capital Projects Fund		
Fund Balances:					
Nonspendable	\$ -	\$ 153,211	\$ -	\$ 38,538	\$ 191,749
Restricted for:					
Sales taxes	-	1,975,351	-	97,816	2,073,167
Ad valorem taxes	-	-	-	2,101,368	2,101,368
Road improvement	-	-	651,452	10	651,462
Emergency preparedness	-	-	-	55,775	55,775
Disaster relief	-	-	-	115,544	115,544
Health services	-	-	-	531,492	531,492
Courthouse maintenance	-	-	-	245,674	245,674
Criminal court	-	-	-	51,707	51,707
Parish transportation	-	4,717,627	-	-	4,717,627
Recreation	-	-	-	160,344	160,344
Special witnesses	-	-	-	21,573	21,573
Criminal jury	-	-	-	94,195	94,195
Committed for emergency and disaster response/ capital projects:	850,000	-	-	-	850,000
Unassigned:	1,380,925	-	-	-	1,380,925
Total Fund Balances	\$ 2,230,925	\$ 6,846,189	\$ 651,452	\$ 3,514,036	\$ 13,242,602

14. RISK MANAGEMENT

Washington Parish Government 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 Parish attempts to minimize risk from significant losses through the purchase of commercial insurance.

15. COMPENSATION PAID TO PARISH PRESIDENT AND PARISH COUNCIL

<u>Name</u>	<u>Title</u>	<u>Amount</u>
Richard N. Thomas, Jr.	Parish President	\$ 180,008
Joseph Lee Culpepper	Parish Council District 1	11,700
Shawn Rice	Parish Council District 2	13,950
Kim Wagner	Parish Council District 3	12,000
Clark Harry	Parish Council District 4	11,700
Thomas Russell Fornea	Parish Council District 5	11,400
Reginald McMasters	Parish Council District 6	11,850
Carley King	Parish Council District 7	11,400

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

16. LITIGATION

The attorney for the Parish Government has advised that several lawsuits have been filed against the Parish, mainly for roadway damage.

The attorney advised that the provisions of the present Louisiana Constitution do not permit a person holding a judgment against the Parish Government to levy or collect that judgment against any assets of the Parish in a judicial fashion. He also said that no funds have been allocated by Parish Government to pay any outstanding judgments or to make offers in settlement of pending litigation.

17. CONTINGENT LIABILITY

In the audit report of Washington Parish Government for the year ended December 31, 2003, there was a “questioned cost” concerning an \$872,187 bad debt expense on a loan made with the proceeds of a U.S. Department of Agriculture (USDA) revolving loan fund grant. In 2005, the USDA and the Office of the Louisiana Legislative Auditor began looking into this matter. Because of the inherent nature of “questioned costs,” the USDA could possibly ask the Parish Government for partial or full reimbursement sometime in the future. In 2022 and 2021, the proceeds from the sale of a portion of the immovable property was applied to the \$872,187, thus reducing the outstanding amount to \$702,139. The ultimate outcome is unknown at this time. Accordingly, no liability has been recorded in these financial statements.

18. GRANTS FROM OTHER GOVERNMENTAL UNITS

Federal and state governmental units represent an important source of supplementary funding used to finance construction and road maintenance programs, and other activities beneficial to the community. A grant receivable is recorded when the Parish Government has a right to reimbursement under the related grant.

Some of the grants received by the Parish Government specify the purpose for which the grant monies are to be used and such grants are subject to audit by the granting agency. This audit report contains the following significant grant expenditures which have been expended as of December 31, 2023:

Coronavirus Relief Fund – American Rescue Plan Act	\$	2,363,747
Hazard Mitigation Grant Program expenditures		1,061,845
U.S. Department of Transportation		
Washington Parish Council on Aging expenditures		275,227

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

19. POST EMPLOYMENT BENEFITS

HEALTH INSURANCE

Plan Description

In accordance with the revised and restated employee handbook adopted by ordinance 19-661 in 2019, the Parish provides health care benefits to its employees upon retirement. Health coverage includes a fully insured group health maintenance plan (PPO).

Medical benefits are provided to employees upon retirement according to the retirement eligibility provisions as follows: an employee who has met the eligibility requirements of the Louisiana Parochial Retirement System, and is at least 62 years old, and has a minimum of 25 years of service with the Washington Parish Government, will continue to carry hospitalization insurance on said employee only and the cost shall be paid for by the Parish until the employee reaches the age of 65.

The Parish has implemented GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75) effective December 31, 2018. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit.

The Parish has fewer than 100 plan members and meets the requirements to use the alternative measurement method in lieu of an actuarial evaluation, and elects to do so. The Parish will use the following method:

Employees covered by benefit terms – At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	-
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	41
	<hr style="width: 100%; border: 0.5px solid black;"/>
	41

In the year ended December 31, 2023, the Parish did not contribute for retired employees.

Total OPEB Liability

The Parish’s total OPEB liability of \$649,318 was measured as of December 31, 2023.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

19. POST EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions and other inputs – The total OPEB liability as of December 31, 2023 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.00%
Discount rate	4.20%

The discount rate was based on the bond buyers' 20 Year tax-exempt general obligation municipal bond index with an average rating of AA/Aa or higher, as of December 31, 2023, the end of the applicable measurement period.

Healthcare Cost Trend Rate

The expected rate of increase in medical costs is based on projections performed by the Office of Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2020 – 2029, Table 3 - National Health Expenditures; Aggregate and per Capita Amounts, Percent Distribution and Annual Percent Change by Source of Funds: Calendars Years 2015 – 2031, released by the Health Care Financing Administration (www.cms.gov). Graduated rates for 2020 through 2029 were used from this table with an ultimate annual rate of 5.0% for 2031 and later. The current medical premium is \$1,315 per month which is paid at 100% by the Parish.

Turnover

The probability that an employee will remain employed until the assumed retirement age was determined using non-group-specific age-based turnover data adapted from data maintained by the U.S. Office of Personnel Management regarding the experience of employee group covered by Federal Employees Retirement System. These probabilities were provided in the GASB Statement 75.

Mortality

As recommended in GASB 75, the life expectancies are based on mortality tables at the National Center for Health Statistics website (www.cdc.gov). The 2015 United States Life Tables for Males and United States Life Tables for Females were used. Life expectancies that included partial years were rounded to the nearest whole year. The calculation of postemployment health insurance coverage for each year is based on the assumption that all participants will live until their expected age.

WASHINGTON PARISH GOVERNMENT

NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023

19. POST EMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability

Balance at December 31, 2022	\$	618,967
Changes for the year:		
Service cost		51,909
Interest		2,180
Amortization component		26,544
Changes in assumptions		<u>(50,282)</u>
Net changes		<u>30,351</u>
 Balance at December 31, 2023	 \$	 <u>649,318</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the Parish, as well as what the Parish’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.20%) or 1-percentage-point higher (5.20%) than the current discount rate:

	1.0% Decrease (3.20%)	Current Discount Rate (4.20%)	1.0% Increase (5.20%)
Total OPEB liability	\$ 772,882	\$ 649,318	\$ 549,414

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate – The following presents the total OPEB liability of the Parish, as well as what the Parish’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (5.0%) or 1-percentage-point higher (7.0%) than the current healthcare cost trend rate:

	1.0% Decrease (5.00%)	Current Healthcare Cost Trend Rate (6.00%)	1.0% Increase (7.00%)
Total OPEB liability	\$ 551,925	\$ 649,318	\$ 810,625

OPEB Expense

For the year ended December 31, 2023, the Parish recognized an OPEB expense of \$80,633.

WASHINGTON PARISH GOVERNMENT

*NOTES TO THE PRIMARY GOVERNMENT BASIC FINANCIAL STATEMENTS (Continued)
As of and for the Year Ended December 31, 2023*

20. LEASE OBLIGATIONS

The Parish is party to various lease agreements for small office equipment. The terms of these agreements require monthly obligations ranging from \$190 to \$800 per month, and are set to expire within the next two to three years. Due to the small nature of these leases and minimal impact on the Statement of Net Position, the Parish has determined a reclassification under GASB 87 is not deemed necessary at this time.

21. SBITA OBLIGATIONS

The Parish is party to various subscription-based information technology arrangements for the use of information technology software. The terms of these agreements require monthly obligations ranging from \$50 to \$2,000 per month, and are set to expire within the next two to three years. Due to the small nature of these arrangements and minimal impact on the Statement of Net Position, the Parish has determined a reclassification under GASB 96 is not deemed necessary at this time.

22. SUBSEQUENT EVENTS

Subsequent events were evaluated through June 25, 2024, which is the date the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2023 that required recognition or disclosure in these financial statements.

**REQUIRED SUPPLEMENTARY
INFORMATION**

WASHINGTON PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		Actual	Variance With
	<u>Original</u>	<u>Final</u>	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Taxes				
Ad valorem	\$ 634,900	\$ 634,900	\$ 683,459	\$ 48,559
Other	3,700	4,300	79,929	75,629
Licenses and permits	610,500	1,091,800	1,088,890	(2,910)
Intergovernmental federal funds				
Federal grants	500,000	391,000	375,227	(15,773)
State funds				
State revenue sharing	39,000	39,000	39,038	38
Other	879,400	1,009,300	899,805	(109,495)
Fees, charges, etc.	534,600	573,600	623,688	50,088
Interest income	68,200	310,200	324,353	14,153
Other	9,600	-	-	-
TOTAL REVENUES	3,279,900	4,054,100	4,114,389	60,289
EXPENDITURES				
Current				
General government				
Legislative	216,300	220,300	213,837	6,463
Judicial	235,600	250,000	233,929	16,071
Executive	309,100	304,100	288,607	15,493
Elections	326,800	326,800	314,456	12,344
Finance and administrative	818,300	888,800	896,972	(8,172)
Other	1,049,400	836,900	775,946	60,954
Public Safety	451,700	426,900	423,837	3,063
Health and welfare	326,600	284,600	250,277	34,323
Culture and recreation	86,500	86,500	13,317	73,183
Capital outlay	53,000	35,000	26,876	8,124
TOTAL EXPENDITURES	3,873,300	3,659,900	3,438,054	221,846
Excess (Deficiency) of revenues over expenditures	(593,400)	394,200	676,335	282,135
OTHER FINANCING SOURCES (USES)				
Operating transfers in	770,000	844,000	848,600	4,600
Operating transfers out	(649,000)	(749,000)	(849,000)	(100,000)
TOTAL OTHER FINANCING SOURCES (USES)	121,000	95,000	(400)	(95,400)
Net change in fund balances	(472,400)	489,200	675,935	186,735
Fund balances, beginning	1,208,680	1,554,990	1,554,990	-
Fund balances, ending	<u>\$ 736,280</u>	<u>\$ 2,044,190</u>	<u>\$ 2,230,925</u>	<u>\$ 186,735</u>

WASHINGTON PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
CRIMINAL JUSTICE SALES TAX FUND
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales	\$ 1,760,000	\$ 1,913,000	\$ 2,037,546	\$ 124,546
Other	14,000	16,000	18,254	2,254
Interest income	96,000	99,000	99,438	438
	<u>1,870,000</u>	<u>2,028,000</u>	<u>2,155,238</u>	<u>127,238</u>
EXPENDITURES				
Current				
General government				
Judicial	1,289,000	1,304,300	1,301,835	2,465
Finance and administrative	40,000	45,200	45,200	-
Public Safety	835,000	952,000	981,152	(29,152)
	<u>2,164,000</u>	<u>2,301,500</u>	<u>2,328,187</u>	<u>(26,687)</u>
Excess (Deficiency) of revenues over expenditures	(294,000)	(273,500)	(172,949)	100,551
OTHER FINANCING SOURCES				
Operating transfers in	100,000	200,000	200,000	-
	<u>100,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net change in fund balances	(194,000)	(73,500)	27,051	100,551
Fund balances, beginning	335,216	385,390	274,255	(111,135)
Fund balances, ending	<u>\$ 141,216</u>	<u>\$ 311,890</u>	<u>\$ 301,306</u>	<u>\$ (10,584)</u>

WASHINGTON PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
SALES TAX SPLIT .67% FUND
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales	\$ 2,780,000	\$ 3,190,000	\$ 3,376,288	\$ 186,288
Interest income	9,000	60,000	62,911	2,911
	<u>2,789,000</u>	<u>3,250,000</u>	<u>3,439,199</u>	<u>189,199</u>
EXPENDITURES				
Current				
General government				
Finance and administrative	149,000	173,500	182,189	(8,689)
	<u>149,000</u>	<u>173,500</u>	<u>182,189</u>	<u>(8,689)</u>
Excess of revenues over expenditures	2,640,000	3,076,500	3,257,010	180,510
OTHER FINANCING USES				
Operating transfers out	(2,439,000)	(2,805,000)	(2,829,900)	(24,900)
Excess sales tax split with other government entities	(191,000)	(210,000)	(216,000)	(6,000)
	<u>(2,630,000)</u>	<u>(3,015,000)</u>	<u>(3,045,900)</u>	<u>(30,900)</u>
Net change in fund balances	10,000	61,500	211,110	149,610
Fund balances, beginning	1,591,695	1,462,935	1,462,935	-
Fund balances, ending	<u>\$ 1,601,695</u>	<u>\$ 1,524,435</u>	<u>\$ 1,674,045</u>	<u>\$ 149,610</u>

WASHINGTON PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
PARISH TRANSPORTATION FUND
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	<u>Original</u>	<u>Final</u>	Budgetary Basis	Positive (Negative)
REVENUES				
Taxes				
Ad valorem	\$ 3,147,900	\$ 3,114,000	\$ 3,463,089	\$ 349,089
Sales	2,450,000	2,770,000	3,096,674	326,674
Parish transportation funds	510,000	690,000	696,496	6,496
State revenue sharing	50,000	50,000	49,049	(951)
Other	75,000	34,000	-	(34,000)
Interest income	20,000	86,000	63,913	(22,087)
Insurance proceeds	-	8,400	9,472	1,072
Other	3,000	5,900	5,997	97
TOTAL REVENUES	6,255,900	6,758,300	7,384,690	626,390
EXPENDITURES				
Current				
Finance and administrative	340,900	354,500	420,650	(66,150)
Highway and streets	5,733,300	5,794,700	5,775,007	19,693
Capital outlay	329,000	199,500	29,018	170,482
TOTAL EXPENDITURES	6,403,200	6,348,700	6,224,675	124,025
Excess (deficiency) of revenues over expenditures	(147,300)	409,600	1,160,015	750,415
OTHER FINANCING SOURCES (USES)				
Operating transfers in	259,000	195,900	216,226	20,326
Operating transfers out	(1,500,000)	(1,997,000)	(1,999,361)	(2,361)
TOTAL OTHER FINANCING SOURCES (USES)	(1,241,000)	(1,801,100)	(1,783,135)	17,965
Net change in fund balances	(1,388,300)	(1,391,500)	(623,120)	768,380
Fund balances, beginning	5,270,184	5,493,958	5,493,958	-
Fund balances, ending	<u>\$ 3,881,884</u>	<u>\$ 4,102,458</u>	<u>\$ 4,870,838</u>	<u>\$ 768,380</u>

WASHINGTON PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
ROAD IMPROVEMENT FUND
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Sales	\$ 2,265,000	\$ 2,435,000	\$ 2,611,257	\$ 176,257
Interest income	1,000	25,000	18,932	(6,068)
TOTAL REVENUES	2,266,000	2,460,000	2,630,189	170,189
EXPENDITURES				
Current				
General government				
Finance and administrative	126,500	133,900	146,056	(12,156)
Capital outlay	4,407,000	5,303,000	5,163,527	139,473
TOTAL EXPENDITURES	4,533,500	5,436,900	5,309,583	127,317
Excess (deficiency) of revenues over expenditures	(2,267,500)	(2,976,900)	(2,679,394)	297,506
OTHER FINANCING SOURCES				
Operating transfers in	1,500,000	1,900,000	1,900,000	-
TOTAL OTHER FINANCING SOURCES	1,500,000	1,900,000	1,900,000	-
Net change in fund balances	(767,500)	(1,076,900)	(779,394)	297,506
Fund balances, beginning	1,167,432	1,430,846	1,430,846	-
Fund balances, ending	<u>\$ 399,932</u>	<u>\$ 353,946</u>	<u>\$ 651,452</u>	<u>\$ 297,506</u>

WASHINGTON PARISH GOVERNMENT
BUDGETARY COMPARISON SCHEDULE
AMERICAN RESCUE PLAN ACT FUND
For the Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental federal funds				
Federal grants	\$ 6,373,000	\$ 3,176,900	\$ 2,363,747	\$ (813,153)
TOTAL REVENUES	<u>6,373,000</u>	<u>3,176,900</u>	<u>2,363,747</u>	<u>(813,153)</u>
EXPENDITURES				
Current				
Finance and administrative	15,100	15,500	15,486	14
Public Safety	6,299,000	3,145,200	1,624,498	1,520,702
Health and welfare	58,900	16,200	14,120	2,080
Capital outlay	-	-	709,643	(709,643)
TOTAL EXPENDITURES	<u>6,373,000</u>	<u>3,176,900</u>	<u>2,363,747</u>	<u>813,153</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning	-	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WASHINGTON PARISH
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND
RELATED RATIOS AND NOTES TO THE SCHEDULE
FOR THE YEARS ENDED DECEMBER 31, 2018 through 2023

Total OPEB Liability	2018	2019	2020	2021	2022	2023
Service cost	\$ 31,570	\$ 46,066	\$ 48,107	\$ 68,233	\$ 42,946	\$ 51,909
Interest	1,291	1,262	1,020	1,406	1,778	2,180
Changes in assumptions	(33,253)	430,037	(187,432)	(120,562)	(353,523)	(50,282)
Amortization component	-	-	27,781	26,802	25,090	26,544
Net change in total OPEB liability	(392)	477,365	(110,524)	(24,121)	(283,709)	30,351
Total OPEB liability – beginning	560,348	559,956	1,037,321	926,797	902,676	618,967
Total OPEB liability – ending	<u>\$ 559,956</u>	<u>\$ 1,037,321</u>	<u>\$ 926,797</u>	<u>\$ 902,676</u>	<u>\$ 618,967</u>	<u>\$ 649,318</u>
Covered-employee payroll	\$3,797,094	\$3,598,527	\$3,891,281	\$4,361,643	\$4,625,645	\$ 5,023,455
Total OPEB liability as a percentage of covered-employee payroll	14.75%	28.83%	23.82%	20.70%	13.38%	12.93%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The alternative measurement method was utilized and the measurement date corresponds with the financial reporting date.

Notes to Schedule:

Benefit changes – There were no changes of benefit terms for the years ended December 31, 2018 through 2023.

Changes in assumptions – There were changes in assumptions related to the implementation of GASB 75 for the year ended December 31, 2018. There were changes in assumptions related to the change in the discount rate from 4.09% at the beginning of the measurement period to 2.74% as of December 31, 2019. There were changes in assumptions related to the change in the discount rate from 2.74% at the beginning of the measurement period to 2.12% as of December 31, 2020. There were changes in assumptions related to the change in the discount rate from 2.12% at the beginning of the measurement period to 2.06% as of December 31, 2021. There were changes in assumptions related to the change in the discount rate from 2.06% at the beginning of the measurement period to 4.14% as of December 31, 2022, as well as changes in estimated remaining lives of plan participants. There were changes in assumptions related to the change in the discount rate from 4.14% at the beginning of the measurement period to 4.20% as of December 31, 2023 and a change in the health care costs trend rate from 4.7% at the beginning of the measurement period to 5.0% as of December 31, 2023, as well as increases in the estimated remaining lives of plan participants.

As of December 31, 2018, through 2023, there were no assets accumulated in a trust that meet the requirements of GASB 75, paragraph 4 to pay related benefits.

WASHINGTON PARISH GOVERNMENT

SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

For the Years Ended December 31, 2014 Through 2023

<u>Fiscal Year</u>	Employer's Proportion Share of the Net Pension Liability (Asset)	Employer's 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 % of its Covered Employee Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
12/31/2014	0.527511%	\$ 37,974	\$ 3,040,172	1.25%	99.77%
12/31/2015	0.514016%	140,536	3,225,626	4.36%	99.15%
12/31/2016	0.521790%	1,373,501	3,623,908	37.90%	92.23%
12/31/2017	0.536575%	1,105,083	3,591,542	30.77%	94.15%
12/31/2018	0.528685%	(392,415)	3,797,094	(10.33%)	101.98%
12/31/2019	0.556950%	2,417,944	3,026,343	79.90%	88.86%
12/31/2020	0.572863%	26,967	3,227,991	0.84%	99.89%
12/31/2021	0.564454%	(989,721)	3,704,453	(26.72%)	260.12%
12/31/2022	0.616582%	(2,904,369)	3,914,494	(134.78%)	110.46%
12/31/2023	0.625548%	2,407,603	4,098,175	58.75%	91.74%

WASHINGTON PARISH GOVERNMENT
SCHEDULE OF EMPLOYER'S PENSION CONTRIBUTIONS
For the Years Ended December 31, 2014 Through 2023

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>Employer's Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered-Employee Payroll</u>
12/31/2014	\$ 457,938	\$ 457,938	\$ -	\$ 3,040,172	15.06%
12/31/2015	422,972	422,972	-	3,225,626	13.11%
12/31/2016	401,625	401,625	-	3,623,908	11.08%
12/31/2017	392,242	392,242	-	3,591,542	10.92%
12/31/2018	368,810	368,810	-	3,797,094	9.71%
12/31/2019	325,596	325,596	-	3,026,343	10.76%
12/31/2020	408,022	408,022	-	3,227,991	12.64%
12/31/2021	453,549	453,549	-	3,704,453	12.24%
12/31/2022	443,059	443,059	-	3,914,494	11.32%
12/31/2023	461,756	461,756	-	4,098,175	11.27%

OTHER SUPPLEMENTARY INFORMATION

WASHINGTON PARISH GOVERNMENT

NONMAJOR GOVERNMENTAL FUNDS

December 31, 2023

SPECIAL REVENUE FUNDS

FEMA Disaster Recovery Fund – The FEMA Disaster Recovery Fund accounts for the expenditures of funds for disaster relief and restoration and reimbursements received from FEMA.

HMGP Fund – The HMGP Fund accounts for the receipts and expenditures of funds to raise or elevate homes and buildings in flood plain areas and other Hazard Mitigation Grant projects, received from the State of Louisiana Governor’s Office of Homeland Security and Emergency Preparedness.

Special Witness Fund – The Special Witness Fund was established under Section 255 of Title 15 of the Louisiana Revised Statute of 1981, which provides that costs of court collected in individual cases, tried in district or parish courts on which there is a plea of guilty or conviction, be transferred to the Parish Treasurer and deposited into a Special Witness Fund account to be used to pay off-duty officer witness fees. Expenditures are made from the Fund when a court affidavit is presented to the Parish Comptroller, and when the appropriate payroll department verifies that the officer was off duty.

Criminal Jury Fund – Accounts for the fines and fees collected and expenditures for jury duty.

Courthouse Maintenance Fund – Accounts for the operation and maintenance of the Courthouse and related public buildings of the Parish. Financing is provided by ad valorem taxes and state revenue sharing. The ad valorem tax expires in 2026.

Health Unit Maintenance Fund – Accounts for the operation and maintenance of public health units and animal shelter in the Parish. Financing is provided by ad valorem taxes and state revenue sharing. The ad valorem tax expires in 2026.

Criminal Court Fund – The Criminal Court Fund was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal court cases be transferred to the Parish Treasurer and deposited into a special Criminal Court Fund account to be used for the expenses of the criminal court of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges or on motion of the district judges and approval of the district attorney.

Office of Homeland Security & Emergency Preparedness Fund – This Fund was established by State law (R.S. 29:728) and is responsible for emergency mitigation, preparedness, response and recovery. The director is appointed by the Parish President and must be commissioned by the director of the State Office of Emergency Preparedness. Operating expenses are funded by federal and state grants.

WASHINGTON PARISH GOVERNMENT
NONMAJOR GOVERNMENTAL FUNDS-CONTINUED
December 31, 2023

Recreation District # 1 Fund – The Washington Parish Recreation District # 1 (the District) was established under Chapter 11 of Title 33 of the Louisiana Revised Statutes to be a body corporate in law and a political subdivision of the State of Louisiana. The District obtains funding from fundraisers, donations, federal and state grants and covers all the costs of its expenses. The Parish Government is responsible for the accounting and financial reporting.

Sales Tax Split 1% Fund – Accounts for the proceeds of the one cent sales tax imposed Parish-wide, excluding the City of Bogalusa, for the period of May 1992 through June 2002, to pay the costs of providing, maintaining, operating, constructing, acquiring, and/or in providing solid waste facilities. Currently, all funds are restricted for the Landfill.

Library Fund – The Library Fund was established by the Washington Parish Government on November 14, 1945, under provisions of Louisiana Revised Statute 25:211. The library provides citizens of the Parish access to library materials, computers, books, magazines, records, and films. The library is governed by a board of control, which is appointed by the Washington Parish Government in accordance with the provisions of Louisiana Revised Statute 21:214. The members of the board of control serve without pay. Primary financing is provided by ad valorem taxes and state revenue sharing. The ad valorem tax expires in 2026.

Opioid Fund – The Opioid Fund was established by the Washington Parish Government to account for funds allocated to the Parish from the State’s National Opioid Settlement award.

CAPITAL PROJECTS FUNDS

LCDBG Water Improvements Fund – Accounts for a Louisiana Community Development Block Grant to provide for construction of a potable water well in the Varnado Water Works District.

CDBG Grant Fund – Accounts for a Louisiana Community Development Block Grant to provide matching funds for flood events.

WASHINGTON PARISH GOVERNMENT
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
December 31, 2023

Special Revenue Funds

	HMGP Fund	FEMA Disaster Recovery Fund	Special Witness Fund	Criminal Jury Fund	Courthouse Maintenance Fund	Health Unit Maintenance Fund	Criminal Court Fund
ASSETS							
Cash	\$ 10	\$ 4,461	\$ 21,115	\$ 95,707	\$ -	\$ -	\$ 45,938
Investments	-	-	-	-	67,135	97,814	-
Receivables	-	1,466,797	458	3,381	530,242	736,241	18,359
FEMA Receivable	697,854	337,185	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 697,864	\$ 1,808,443	\$ 21,573	\$ 99,088	\$ 597,377	\$ 834,055	\$ 64,297
LIABILITIES							
Accounts payable	\$ 697,854	\$ 89,987	\$ -	\$ 4,893	\$ 257,987	\$ 29,680	\$ 12,590
Due to other funds	10	1,602,912	-	-	93,716	272,883	-
Unearned revenue	-	-	-	-	-	-	-
TOTAL LIABILITIES	697,864	1,692,899	-	4,893	351,703	302,563	12,590
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-

WASHINGTON PARISH GOVERNMENT
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS - Continued
December 31, 2023

Special Revenue Funds

	HMGP Fund	FEMA Disaster Recovery Fund	Special Witness Fund	Criminal Jury Fund	Courthouse Maintenance Fund	Health Unit Maintenance Fund	Criminal Court Fund
FUND BALANCES							
Nonspendable:							
Not in spendable form	-	-	-	-	-	-	-
Restricted	-	115,544	21,573	94,195	245,674	531,492	51,707
TOTAL FUND BALANCES	-	115,544	21,573	94,195	245,674	531,492	51,707
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 697,864</u>	<u>\$ 1,808,443</u>	<u>\$ 21,573</u>	<u>\$ 99,088</u>	<u>\$ 597,377</u>	<u>\$ 834,055</u>	<u>\$ 64,297</u>

WASHINGTON PARISH GOVERNMENT
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS - Continued
December 31, 2023

	Special Revenue Funds					Capital Projects Fund		Total Nonmajor Governmental Funds
	Office of Homeland Security & Emergency Preparedness Fund	Recreation District #1 Fund	Sales Tax Split 1% Fund	Library Fund	Opioid Fund	CDBG Grant Fund	LCDBG Water Improvements Fund	
ASSETS								
Cash	\$ 59,444	\$ 160,344	\$ 97,816	\$ 785,135	\$ 726,313	\$ -	\$ 10	\$ 1,996,293
Investments	-	-	-	328,692	-	-	-	493,641
Receivables	20,526	-	-	1,082,505	-	-	-	3,858,509
FEMA Receivable	-	-	-	-	-	-	-	1,035,039
Due from other funds	-	-	-	-	-	-	30,850	30,850
TOTAL ASSETS	\$ 79,970	\$ 160,344	\$ 97,816	\$ 2,196,332	\$ 726,313	\$ -	\$ 30,860	\$ 7,414,332
LIABILITIES								
Accounts payable	\$ 5,629	\$ -	\$ -	\$ 36,454	\$ -	\$ -	\$ 30,850	\$ 1,165,924
Due to other funds	-	-	-	-	-	-	-	1,969,521
Unearned revenue	-	-	-	-	726,313	-	-	726,313
TOTAL LIABILITIES	5,629	-	-	36,454	726,313	-	30,850	3,861,758
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	9,283	-	-	29,255	-	-	-	38,538
TOTAL DEFERRED INFLOWS OF RESOURCES	9,283	-	-	29,255	-	-	-	38,538

WASHINGTON PARISH GOVERNMENT
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS - Continued
December 31, 2023

	Special Revenue Funds					Capital Projects Fund		Total Nonmajor Governmental Funds
	Office of Homeland Security & Emergency Preparedness Fund	Recreation District #1 Fund	Sales Tax Split 1% Fund	Library Fund	Opioid Fund	CDBG Grant Fund	LCDBG Water Improvements Fund	
FUND BALANCES								
Nonspendable:								
Not in spendable form	9,283	-	-	29,255	-	-	-	38,538
Restricted	55,775	160,344	97,816	2,101,368	-	-	10	3,475,498
TOTAL FUND BALANCES	65,058	160,344	97,816	2,130,623	-	-	10	3,514,036
TOTAL LIABILITIES AND FUND BALANCES	\$ 79,970	\$ 160,344	\$ 97,816	\$ 2,196,332	\$ 726,313	\$ -	\$ 30,860	\$ 7,414,332

WASHINGTON PARISH GOVERNMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2023

	Special Revenue Funds						
	HMGP Fund	FEMA Disaster Recovery Fund	Special Witness Fund	Criminal Jury Fund	Courthouse Maintenance Fund	Health Unit Maintenance Fund	Criminal Court Fund
REVENUES							
Taxes							
Ad valorem	\$ -	\$ -	\$ -	\$ -	\$ 252,440	\$ 762,223	\$ -
Intergovernmental federal funds							
Federal grants	1,061,845	-	-	-	-	-	-
State funds							
State revenue sharing	-	-	-	-	12,233	36,936	-
Other	-	-	-	-	287,855	75,000	-
Fees, charges, etc.	-	-	5,092	37,425	-	25,474	-
Fines and penalties	-	-	-	-	-	-	164,913
Interest income	-	-	1,114	4,185	1,845	5,326	2,611
Other	-	-	-	-	-	-	-
TOTAL REVENUES	1,061,845	-	6,206	41,610	554,373	904,959	167,524
EXPENDITURES							
Current							
General government							
Judicial	-	-	400	59,444	275,986	-	215,192
Finance and administrative	52,000	-	-	-	19,036	58,671	-
Public Safety	-	-	-	-	99,449	-	-
Health and welfare	-	-	-	-	-	911,389	-
Culture and recreation	-	-	-	-	-	-	-

WASHINGTON PARISH GOVERNMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - Continued
For the Year Ended December 31, 2023

	Special Revenue Funds						
	HMGP Fund	FEMA Disaster Recovery Fund	Special Witness Fund	Criminal Jury Fund	Courthouse Maintenance Fund	Health Unit Maintenance Fund	Criminal Court Fund
EXPENDITURES (Continued)							
Capital outlay	1,009,845	-	-	-	439,389	78,127	-
TOTAL EXPENDITURES	1,061,845	-	400	59,444	833,860	1,048,187	215,192
Excess (deficiency) of revenues over expenditures	-	-	5,806	(17,834)	(279,487)	(143,228)	(47,668)
OTHER FINANCING SOURCES (USES)							
Operating transfers in	-	-	-	-	400,000	100,000	10,000
Operating transfers out	-	-	(10,000)	-	-	-	-
Total other financing sources (uses)	-	-	(10,000)	-	400,000	100,000	10,000
Net change in fund balances	-	-	(4,194)	(17,834)	120,513	(43,228)	(37,668)
Fund balances, beginning	-	115,544	25,767	112,029	125,161	574,720	89,375
Fund balances, ending	\$ -	\$ 115,544	\$ 21,573	\$ 94,195	\$ 245,674	\$ 531,492	\$ 51,707

WASHINGTON PARISH GOVERNMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - Continued
For the Year Ended December 31, 2023

	Special Revenue Funds				Capital Projects Fund		
	Office of Homeland Security & Emergency Preparedness Fund	Recreation District #1 Fund	Sales Tax Split 1% Fund	Library Fund	CDBG Grant Fund	LCDBG Water Improvements Fund	Total Nonmajor Governmental Funds
REVENUES							
Taxes							
Ad valorem	\$ -	\$ -	\$ -	\$ 1,127,404	\$ -	\$ -	\$ 2,142,067
Intergovernmental federal funds							
Federal grants	83,914	-	-	59,528	9,926	-	1,215,213
State funds							
State revenue sharing	-	-	-	54,631	-	-	103,800
Other	-	-	-	3,891	-	-	366,746
Fees, charges, etc.	-	-	-	26,805	-	-	94,796
Fines and penalties	-	-	-	2,734	-	-	167,647
Interest income	2,256	6,216	3,833	54,812	-	-	82,198
Other	-	310	-	19,708	-	-	20,018
TOTAL REVENUES	86,170	6,526	3,833	1,349,513	9,926	-	4,192,485
EXPENDITURES							
Current							
General government							
Judicial	-	-	-	-	-	-	551,022
Finance and administrative	-	-	-	88,274	-	-	217,981
Public Safety	217,935	-	-	-	-	-	317,384
Health and welfare	-	-	-	-	-	-	911,389
Culture and recreation	-	1,057	-	1,040,039	-	-	1,041,096

WASHINGTON PARISH GOVERNMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - Continued
For the Year Ended December 31, 2023

	Special Revenue Funds				Capital Projects Fund		
	Office of Homeland Security & Emergency Preparedness Fund	Recreation District #1 Fund	Sales Tax Split 1% Fund	Library Fund	CDBG Grant Fund	LCDBG Water Improvements Fund	Total Nonmajor Governmental Funds
EXPENDITURES (Continued)							
Capital outlay	-	-	-	4,620	-	99,360	1,631,341
TOTAL EXPENDITURES	217,935	1,057	-	1,132,933	-	99,360	4,670,213
Excess (deficiency) of revenues over expenditures	(131,765)	5,469	3,833	216,580	9,926	(99,360)	(477,728)
OTHER FINANCING SOURCES (USES)							
Operating transfers in	149,000	-	-	-	-	99,360	758,360
Operating transfers out	-	-	-	-	(9,926)	-	(19,926)
Total other financing sources (uses)	149,000	-	-	-	(9,926)	99,360	738,434
Net change in fund balances	17,235	5,469	3,833	216,580	-	-	260,706
Fund balances, beginning	47,823	154,875	93,983	1,914,043	-	10	3,253,330
Fund balances, ending	\$ 65,058	\$ 160,344	\$ 97,816	\$ 2,130,623	\$ -	\$ 10	\$ 3,514,036

WASHINGTON PARISH GOVERNMENT

SCHEDULE OF COMPENSATION, BENEFITS, AND

OTHER PAYMENTS TO AGENCY HEAD

For the Year Ended December 31, 2023

Agency Head: Richard N. Thomas, Jr., Parish President

Salary	\$	180,008
Benefits – retirement		20,701
Benefits – insurance		16,429
Vehicle provided by government		2,498
Conference travel		770
Telephone		560
Total	\$	<u>220,966</u>

WASHINGTON PARISH GOVERNMENT
JUSTICE SYSTEM FUNDING SCHEDULE – RECEIVING ENTITY –
GENERAL FUND
For the Year Ended December 31, 2023

	First Six Month Period Ended <u>6/30/23</u>	Second Six Month Period Ended <u>12/31/23</u>
Receipts From:		
Washington Parish Sheriff - Criminal Fines - Other	\$ 1,254	\$ 697
Bogalusa City Court - Criminal Fines - Other	<u>9,311</u>	<u>6,612</u>
 Total receipts	 <u>\$ 10,565</u>	 <u>\$ 7,309</u>

WASHINGTON PARISH GOVERNMENT
JUSTICE SYSTEM FUNDING SCHEDULE – RECEIVING ENTITY –
SPECIAL WITNESS FUND
For the Year Ended December 31, 2023

	First Six Month Period Ended <u>6/30/23</u>	Second Six Month Period Ended <u>12/31/23</u>
Receipts From:		
Washington Parish Sheriff - Criminal Fines - Other	\$ <u>3,221</u>	\$ <u>2,179</u>
Total receipts	\$ <u><u>3,221</u></u>	\$ <u><u>2,179</u></u>

WASHINGTON PARISH GOVERNMENT
JUSTICE SYSTEM FUNDING SCHEDULE – RECEIVING ENTITY –
CRIMINAL JURY FUND
For the Year Ended December 31, 2023

	First Six Month Period Ended <u>6/30/23</u>	Second Six Month Period Ended <u>12/31/23</u>
Receipts From:		
Washington Parish Sheriff - Criminal Fines - Other	\$ <u>23,476</u>	\$ <u>16,045</u>
Total receipts	\$ <u><u>23,476</u></u>	\$ <u><u>16,045</u></u>

WASHINGTON PARISH GOVERNMENT
JUSTICE SYSTEM FUNDING SCHEDULE – RECEIVING ENTITY –
CRIMINAL COURT FUND
For the Year Ended December 31, 2023

	First Six Month Period Ended <u>6/30/23</u>	Second Six Month Period Ended <u>12/31/23</u>
Receipts From:		
Washington Parish Sheriff - Criminal Fines - Other	\$ 52,486	\$ 38,647
Washington Parish Sheriff – Bond Fees	<u>22,131</u>	<u>31,498</u>
 Total receipts	 <u>\$ 74,617</u>	 <u>\$ 70,145</u>

OTHER REPORTS



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

Washington Parish Government
Franklinton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Washington Parish Government (the Parish) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Parish's basic financial statements and have issued our report thereon dated June 25, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-001.

Washington Parish Government's Response to Findings

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

Purpose of this Report

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

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 25, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Washington Parish Government
Franklinton, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Washington Parish Government's (the Parish) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Parish's major federal programs for the year ended December 31, 2023. The Parish's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Parish complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Parish and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Parish's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Parish's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Parish's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Parish's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Parish's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Parish's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Parish's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely

basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 25, 2024

WASHINGTON PARISH GOVERNMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2023

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Award Number	Federal Assistance Listing Number	Passed through to Subrecipients	Federal Expenditures
U.S. Department of Homeland Security				
Passed through Governor's Office of Homeland Security and Emergency Preparedness:				
Emergency Management Performance	EMT-2022-EP-00003-S01	97.042	\$ -	\$ 28,885
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Disaster #611 Hurricane Ida	97.036	-	44,682
Homeland Security Grant Program	EMW-2021-SS-00019-S01	97.067	-	37,333
Hazard Mitigation Grant Program	4263-117-0037	97.039	-	1,042,345
Hazard Mitigation Grant Program	4277-117-0077	97.039	-	<u>19,500</u>
Total Department of Homeland Security			-	1,172,745
U.S. Department of Transportation				
Passed through State Department of Transportation and Development:				
Formula Grants for Rural Areas	RU-18-59-23	20.509	128,777	128,777
Formula Grants for Rural Areas	RU-18-59-24	20.509	<u>146,450</u>	<u>146,450</u>
Total Department of Transportation			275,227	275,227
U.S. Department of Housing and Urban Development				
Passed through State Department of Transportation and Development:				
Community Development Block Grant	B-16-DL-22-0001	14.228	-	<u>9,926</u>
Total Department of Housing and Urban Development			-	9,926
U.S. Department of Health and Human Services				
Passed through State Department of Health and Hospitals:				
Hospital Preparedness Program and Public Health Emergency Preparedness	723936	93.074	-	<u>17,696</u>
Total Department of Health and Human Services			-	17,696
U.S. Department of the Treasury				
Direct Program:				
COVID-19- Formula Grants for Rural Areas	NONE	21.032	-	100,000
COVID-19-Coronavirus Relief Fund	NONE	21.027	<u>87,124</u>	<u>2,363,747</u>
Total Department of the Treasury			<u>87,124</u>	<u>2,463,747</u>
Total Expenditures of Federal Awards			<u>\$ 362,351</u>	<u>\$ 3,939,341</u>

See accompanying notes to the schedule of expenditures of federal awards.

WASHINGTON PARISH GOVERNMENT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2023

NOTE A – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying *Schedule of Expenditures of Federal Awards* includes the federal grant activity of the Washington Parish Government and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Parish, it is not intended to and does not present the net position and changes in the net position of the Parish. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – DE MINIMIS COST RATE

During the year ended December 31, 2023, the Parish did not elect to use the 10% de minimis cost rate as covered in Section 200.414 of the Uniform Guidance.

NOTE C – DETERMINATION OF TYPE A AND TYPE B PROGRAMS

Federal awards programs are classified as either Type A or Type B programs. For the year ended December 31, 2023, Type A programs consisted of the federal programs that expended over \$750,000 and Type B programs were the programs that expended under \$750,000.

NOTE D – NON-CASH ASSISTANCE

No federal awards were expended in the form of non-cash assistance during the year ended December 31, 2023.

NOTE E – FEMA

The amount of \$44,682 recorded on the SEFA is related to prior year expenditures.

WASHINGTON PARISH GOVERNMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of Auditors' Report Issued: Adverse (Due to omission of discretely presented component units)

Internal Control Over Financial Reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? X Yes ___ No

Federal Awards

Internal Control Over Major Programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? ___Yes X No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus Relief Fund
97.039	Hazard Mitigation Grant Program

WASHINGTON PARISH GOVERNMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – Continued
For the Year Ended December 31, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS - Continued

Dollar threshold used to distinguish between
Type A and Type B programs: \$750,000

Auditee Qualified as Low-Risk Auditee? Yes No

SECTION II – FINANCIAL STATEMENT FINDINGS

2023-001

Criteria

Management is responsible for preparing and maintaining their budget in compliance with the Louisiana Local Government Budget Act, L.R.S. 39:1301-1315. L.R.S. 39:1310 & 39:1311 provides for a mandatory budget amendment when actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by five percent or more.

Condition

During our audit procedures, we noted the beginning fund balance for one special revenue fund exceeded the actual beginning fund balance for the year by greater than 5%.

Cause

The proper fund balance was not used as the beginning fund balance.

Effect

The Parish could potentially be in violation of the Local Government Budget Act.

Recommendation

We recommend the Parish amend the budgets for all applicable special revenue funds to ensure compliance with the Louisiana Local Government Budget Act.

Management's Response

Management concurs with the recommendation. See Management's Corrective Action Plan.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted.

WASHINGTON PARISH GOVERNMENT

SCHEDULE OF PRIOR YEAR FINDINGS

For the Year Ended December 31, 2023

	<u>RESOLUTION</u>
SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
2022-001	Unresolved
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
None issued.	
SECTION III - MANAGEMENT LETTER	
None issued.	



Washington Parish Government

Ryan Seal, Parish President

June 24, 2024

CORRECTIVE ACTION PLAN

FINANCIAL STATEMENT - COMPLIANCE FINDINGS

December 31, 2023

Louisiana State Legislative Auditor

Washington Parish Government respectfully submits to you the following corrective action plan for the Financial Statement – Compliance Findings – for the year ended December 31, 2022.

Kushner LaGraize, LLC

Certified Public Accountants and Consultants

3330 W Esplanade Ave – Suite 100

Metairie, LA 70002

Audit period: January 1, 2023– December 31, 2023

FINANCIAL STATEMENT - COMPLIANCE FINDINGS

2023-001

Condition:

Management is responsible for preparing and maintaining their budget in compliance with the Louisiana Local Government Budget Act, L.R.S. 39:1301-1315. L.R.S. 39:1310 & 39:1311 provides for a mandatory

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budget amendment when actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by five percent or more. During our audit procedures, we noted the beginning fund balance for one special revenue fund exceeded the actual beginning fund balance for the year by greater than 5%.

Recommendation:

We recommend the Parish amend the budgets for all applicable special revenue funds to ensure compliance with the Louisiana Local Government Budget Act.

Management's Response:

Washington Parish Government concurs with the recommendation suggested by our auditors. We acknowledge this deficiency and have procedures in place to assure proper monitoring of our budget actual statements at all levels to alleviate this situation from recurring in the future so that the parish may follow the Local Government Budget Act.

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Washington Parish Council, and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2023 through December 31, 2023. The Washington Parish Government's management is responsible for those C/C areas identified in the SAUPs.

The Washington Parish Government (the Parish) 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, 2023 through December 31, 2023. 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:

I. Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

We obtained the entity's policies on budgeting and noted no exceptions.

- ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

We obtained the entity's policies on purchasing and noted no exceptions.

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

We obtained the entity's policies on disbursements and noted no exceptions.

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

We obtained the entity's policies on receipts/collections and noted no exceptions.

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

We obtained the entity's policies on payroll/personnel and noted no exceptions.

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

We obtained the entity's policies on contracting and noted no exceptions.

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

We obtained the entity's policies on travel and expense reimbursement and noted no exceptions.

- viii. **Credit Cards (and debit cards, fuel cards, P-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).

We obtained the entity's policies on credit cards and noted no exceptions.

- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

We obtained the entity's policies on ethics and noted no exceptions.

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

We obtained the entity's policies on debt service and noted no exceptions.

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

We obtained the entity's policies on information technology disaster recovery/business continuity and noted no exceptions.

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

We obtained the entity's policies on sexual harassment and noted no exceptions.

2. Board or Finance Committee

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

- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

The Council met monthly with a quorum, without exception.

- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds.

The minutes included the budget-to-actual comparisons as noted above, without exception.

- 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.

N/A – the General Fund did not have a negative ending unassigned fund balance in the prior year.

- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit findings, according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Observed that the Council received written updates of the progress of resolving audit findings, without exception.

3. Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Bank reconciliations included evidence that they were prepared within 2 months of the statement closing date, without exception.

- 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, electronically logged); and

Noted proper segregation of duties for the responsibilities listed above, without exception.

- 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.

N/A - Per review of the bank reconciliations, we noted no reconciling items over 1 year old.

4. Collections (excluding electronic funds transfers)

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

Obtained listing of deposit sites for the fiscal period and management's representation that the listing is complete, without exception.

- 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 (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, 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:

Obtained listing of collection sites for the fiscal period and management's representation that the listing is complete, without exception.

- i. Employees responsible for cash collections do not share cash drawers/registers.

Noted proper segregation of duties for the responsibilities listed above, without exception.

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

Noted proper segregation of duties for the responsibilities listed above, without exception.

- iii. Each employee responsible for collecting cash is not 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.

Noted proper segregation of duties for the responsibilities listed above, without exception.

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

Noted proper segregation of duties for the responsibilities listed above, without exception.

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

Reviewed a copy of the current year insurance policy for theft covering all employees who have access to cash, without exception.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for "Bank Reconciliations" procedure #3A above (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). Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.

Observed that the Parish utilizes a system of sequentially pre-numbered receipts for payments received from individuals.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Examined collection documentation for 2 deposits tracing each to the deposit slip, without exception.

- iii. Trace the deposit slip total to the actual deposit per the bank statement.

Examined deposit slips for 2 deposits tracing each to the bank statement, without exception.

- iv. Observe 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).

Per review of 2 deposits, we noted all were made within the time frame specified above, without exception.

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

Examined 2 deposits per the bank statements tracing each to recording in the general ledger, without exception.

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

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

Obtained listing of locations that process payments for the fiscal period and management's representation that the listing is complete, without exception.

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, 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/making the purchase.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- ii. At least two employees are involved in processing and approving payments to vendors.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- 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.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- 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.

Noted proper segregation of duties for the responsibilities listed above, without exception.

- v. Only employees/officials authorized to sign checks approve the electronic disbursement of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Noted proper segregation of duties for the responsibilities listed above, without exception.

C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- i. Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

Examined 5 disbursements noting each matched the original invoice, without exception.

- 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.

Noted proper segregation of duties for each of the disbursements examined, without exception.

D. Using the entity's main operating account and the month selected in "Bank Reconciliations" procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

All electronic disbursements examined included proper approval and number of authorized signers, without exception.

6. Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

Obtained complete listing of all active credit cards for the fiscal period and management's representation that the listing is complete, without exception.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.

Noted each statement examined showed evidence of review and approval by appropriate personnel, without exception.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Noted no finance charges or late fees assessed on the statements examined.

- 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 (i.e., each card should have 10 transactions subject to testing). For each transaction, observe 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 note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Examined 14 transactions in total from the credit cards selected above, noting proper supporting documentation for each, without exception.

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, 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 the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

Examined 5 per diem/mileage reimbursement, noting each was in accordance with the U.S. General Services Administration of the State, without exception.

- ii. If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

N/A – no reimbursements examined were reimbursed using actual costs.

- iii. Observe 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).

Noted each reimbursement was supported by proper documentation of the business/public purpose, without exception.

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

Noted each reimbursement examined showed evidence of review and approval by appropriate personnel, without exception.

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. Alternately, 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.

Examined 5 contracts noting each was properly bid in accordance with the Louisiana Public Bid Law, without exception.

- 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).

Examined 5 contracts, noting each was reviewed and approved by the Council, without exception.

- iii. If the contract was amended (e.g., change order), observe 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, was approval documented).

N/A – examined 5 contracts, noting none were amended during the fiscal year.

- 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 the invoice and related payment agreed to the terms and conditions of the contract.

Examined one payment for each contract tested above, noting all payments agreed with the terms of the applicable contract, without exception.

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.

Obtained complete listing of all employees and officials employed during the fiscal period and management's representation that the listing is complete, without exception.

- 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 all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

Examined 5 employees, noting each documented their daily attendance and leave, without exception.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Examined 5 employees noting the attendance and leave for each was approved by a supervisor, without exception.

- iii. Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

Examined 5 employees, noting all leave accrued or taken was properly reflected in the entity's cumulative records, without exception.

- iv. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Examined 5 employees, noting each employee's authorized salary/pay rate agreed to their personnel file, without exception.

- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, 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 or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Examined termination payments for 2 employees, noting no exceptions to the procedures specified above.

- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Per discussion with management, all employer and employee portions of third-party payroll related amounts have been paid, and any associated forms filed, by the required deadline, without exception.

10. Ethics

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

- i. Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

Examined 5 employees, noting each completed the required ethics training during the fiscal period, without exception.

- ii. Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

N/A - Per discussion with management, there were no changes to the entity's ethics policies during the fiscal period.

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

Observed that the agency has appointed an ethics designee, without exception.

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 State Bond Commission approval was obtained for each debt instrument issued.

N/A - per discussion with management and review of the financial statements, the Parish issued no debt during the fiscal period.

- 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).

N/A – per discussion with management and review of the financial statements, the Parish had no outstanding debt during the year.

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 Court attorney of the parish in which the entity is domiciled.

Obtained a listing of misappropriations of public funds and assets from management. Obtained supporting documentation and observed that the entity reported the misappropriation to the LLA and to the Parish Attorney, without exception.

- B. Observe 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.

Observed the required notice on the Parish's website and premises, without exception.

13. Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedures and discussed the results with management."

- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedures and discussed the results with management, noting no exceptions.

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

We performed the procedures and discussed the results with management, noting no exceptions.

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

We performed the procedures and discussed the results with management, noting no exceptions.

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C above. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Observed that all terminated employees were removed and disabled from the network, without exception.

14. Sexual Harassment

- A. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Examined 5 employees, noting each completed the required sexual harassment training during the calendar year, without exception.

- B. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Observed the sexual harassment policy and complaint procedure posted on the Parish's website, without exception.

- 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 it 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.

Obtained the Parish's annual sexual harassment report for the fiscal period noting the report was dated prior to February 1 and all applicable requirements are included, without exception.

We were engaged by the Parish to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Parish and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 25, 2024