

WASHINGTON PARISH ASSESSOR
Franklinton, Louisiana

Annual Financial Statements
As of and for the Year Ended December 31, 2025

**Washington Parish Assessor
Annual Financial Statements
As of and for the Year Ended December 31, 2025**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable James Stevenson
Washington Parish Assessor
Franklinton, LA 70438

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities and the major fund of the Washington Parish Assessor as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Washington Parish Assessor's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Washington Parish Assessor as of December 31, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 Washington Parish Assessor's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Washington Parish Assessor's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and GASB required pension supplementary information be

presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Washington Parish Assessor's basic financial statements. The accompanying schedule of compensation, benefits, and other payments to agency head as required by LA Revised Statute 24:513 A (3) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedules listed above 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*, I have also issued my report dated June 30, 2026 on my consideration of the Washington Parish Assessor's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Washington Parish Assessor's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Washington Parish Assessor's internal control over financial reporting and compliance.



Robert A. Neilson, CPA, LLC
Bogalusa, Louisiana
June 30, 2026

BASIC FINANCIAL STATEMENTS

**Washington Parish Assessor
Statement of Net Position
December 31, 2025**

	Governmental Activities
ASSETS	
Cash & Cash Equivalents	\$ 221,752
Investments	2,578,967
Receivables	1,455,003
Net Pension Asset	588,285
Capital assets (net)	51,394
Right-of-use lease assets (net)	6,963
Total Assets	\$ 4,902,364
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related	\$ 76,146
OPEB Related	384,957
Total Deferred Outflows of Resources	\$ 461,103
LIABILITIES	
Accounts Payable	\$ 9,400
Payroll Taxes Payable	3,018
Lease Liability - current	6,242
Long Term Liabilities	
Lease Liability - long term	1,150
OPEB Obligation	3,715,366
Compensated Absences	2,897
Total Liabilities	\$ 3,738,073
DEFERRED INFLOWS OF RESOURCES	
Pension Related	\$ 553,212
OPEB Related	288,076
Total Deferred Inflows of Resources	\$ 841,288
NET POSITION	
Investment in capital assets, net of related debt	45,152
Unrestricted	738,954
Total Net Position	\$ 784,106

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

**Washington Parish Assessor
Statement of Activities
For the Year Ended December 31, 2025**

		<u>Program</u> <u>Revenues</u> Charges for Services	Net (Expenses) Revenues and Changes in Net Position Governmental Activities
	Expenses		
Governmental Activities:			
General Government	\$ 941,269	\$ 74,927	\$ (866,342)
 <u>General Revenues</u>			
Taxes- Ad Valorem taxes, levied for general purposes			1,448,191
Interest			135,021
Miscellaneous			62
Non-Employer Pension Contributions			176,982
 Total General Revenues			 1,760,256
 Change in Net Position			 893,914
 Net Position- Beginning			 (109,808)
 Net Position- Ending			 \$ 784,106

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

**Washington Parish Assessor
Balance Sheet
Governmental Fund
December 31, 2025**

ASSETS

Cash & Cash Equivalents	\$ 221,752
Investments	2,578,967
Receivables	<u>1,455,003</u>

Total Assets	<u>\$ 4,255,722</u>
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Deferred Outflows of Resources	<u>\$ -</u>
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LIABILITIES

Accounts Payable	\$ 9,400
Payroll Taxes Payable	<u>3,018</u>

Total Liabilities	<u>12,418</u>
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Deferred Inflows of Resources

Unavailable Revenue - Ad Valorem Taxes	<u>\$ 6,815</u>
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FUND BALANCE

Unassigned	\$ 4,236,489
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Total Fund Balance	<u>\$ 4,236,489</u>
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Total Liabilities & Fund Balances	<u>\$ 4,255,722</u>
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The accompanying notes are an integral part of the financial statements.

**Washington Parish Assessor
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2025**

Fund Balances- Governmental Fund **\$ 4,236,489**

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund:

Governmental Capital Assets	417,262	
Accumulated Depreciation	(365,868)	
Right-of-Use Lease Assets	21,298	
Accumulated Amortization	<u>(14,335)</u>	58,357

Post Employment Benefits are not a use of current resources, and therefore, are not reported in the fund financial statements. Deferred outflows of resources at year end are:

Deferred Outflows related to pensions	76,146	
Deferred Outflows related to OPEB obligations	<u>384,957</u>	461,103

Short Term Liabilities are not due and payable in the current year and, therefore, are not reported in the governmental fund:

Lease Liability		(1,150)
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Long Term Liabilities are not due and payable in the current year and, therefore, are not reported in the governmental fund:

Lease Liability	(6,242)	
OPEB Obligation	(3,715,366)	
Compensated Absences Payable	(2,897)	
Net Pension Asset	<u>588,285</u>	(3,136,220)

The deferred inflows of contributions for the Assessor's Retirement Funds and Other Post Employment Benefits are not a use of current resources, and therefore, are not reported in the fund financial statements. Deferred inflows of resources at year end are:

Deferred Inflows related to pensions	(553,212)	
Deferred Inflows related to OPEB Obligations	<u>(288,076)</u>	(841,288)

Certain revenues will be collected after year-end but are not available to pay current period expenditures and, therefore are deferred in the fund.

		<u>6,815</u>
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Net Position of Governmental Activities **\$ 784,106**

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

**Washington Parish Assessor
Statement of Governmental Fund Revenues,
Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2025**

Revenues	
Property Taxes	\$ 1,456,155
State revenue sharing	64,555
Interest Income	135,021
Other Revenues	<u>10,435</u>
Total Revenues	<u>1,666,166</u>
Expenditures	
Salaries and Related Benefits	906,211
Materials and Supplies	15,527
Operating Services	177,864
Travel	7,332
Capital Expenditures	<u>43,096</u>
Total Expenditures	<u>1,150,030</u>
Excess Revenues Over Expenditures	<u>516,136</u>
Fund Balance at Beginning of Year	<u>3,720,353</u>
Fund Balance at End of Year	<u><u>\$ 4,236,489</u></u>

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

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

Net Change in Governmental Fund Balance **\$ 516,136**

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

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of these assets is depreciated over their estimated useful lives:

Capital Outlay	43,096	
Depreciation Expense	(7,702)	
Amortization Expense	(7,919)	
Other Adjustments	59	27,534

Lease proceeds provide current financial resources to governmental funds, but issuing lease financing increases long-term liabilities in the statement of net position. Repayment of debt and lease principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the Statement of Net Position:

Principal Payments on outstanding leases	7,919
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

OPEB Expense	141,762	
Assessor's Portion of Retiree Insurance	78,646	
Compensated Absences	(2,897)	
Pension Expense	(44,204)	173,307

Non-employer contributions received from the Assessor's Retirement Fund are reported in the statement of activities but not in the revenues of the governmental funds.	176,982
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Revenues that do not provide current financial resources are not reported in the governmental fund:

Change in Unavailable Ad Valorem Taxes	(7,964)
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Change in Net Position of Governmental Activities **\$ 893,914**

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

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a four-year term. The Assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The assessor is authorized to appoint as many deputies as may be necessary for efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniary responsible for the actions of the deputies.

The Assessor's office is located in the Washington Parish Courthouse in Franklinton, Louisiana. The Assessor employs nine employees including eight deputies. In accordance with Louisiana law, the Assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The Assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and to the Louisiana Tax Commission, as prescribed by law. Once the assessment listing is approved, the Assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

At December 31, 2025, there were 25,087 property assessments totaling \$332,633,440.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the Washington Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The assessor is an independently elected official. The Washington Parish Government has determined that the Assessor is not a component unit of Parish Government utilizing criteria established by GASB Statement 14.

The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the Washington Parish Government, the general government services provided by that governmental unit, or the other governmental units that compromise the financial reporting entity.

C. FUND ACCOUNTING

The assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain tax assessment functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

C. FUND ACCOUNTING (*continued*)

Governmental Funds

Governmental funds account for all of the assessor's general activities. These funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the assessor.

The general fund is the primary operating fund of the assessor and it accounts for all financial resources, except those required to be accounted for in other funds. The general fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the assessor's policy.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the general fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the assessor's operations.

The amounts reflected in the general fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental fund uses the following practices in recording revenues and expenditures:

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING *(continued)*

Fund Financial Statements (FFS) *(continued)*

Revenues

Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. The taxes are recognized as revenue in the year they are assessed, and generally are collected in December of the current year and January and February of the ensuing year. Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available. State revenue sharing is appropriated by the legislature at the end of the calendar year and is recorded in the year of appropriation. Other revenues are recorded in the period received due to the nature of the transactions.

Deferred Inflows of Resources

Deferred revenue are those revenues that are measurable but not yet available, under the modified accrual basis of accounting. Accordingly, they are not recorded as revenue. The balance sheet records the receivable, but includes deferred revenue as its offset.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the assessor as a whole. These statements include all the financial activities of the assessor.

In the Statement of Net Position, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long term obligations. Net position is reported in three parts; invested in capital assets, net of any related debt, restricted net position; and unrestricted net position. The Assessor first uses restricted resources to finance qualifying activities.

The government wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING *(continued)*

Government-Wide Financial Statements (GWFS) *(continued)*

Program Revenues included in the Statement of Activities are derived directly from users for a fee for services; program revenues reduce the cost of the function to be financed from the Assessor's general revenues.

The Assessor reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

E. BUDGETS

The Washington Parish Assessor adopts an annual budget for the General Fund on the modified accrual basis of accounting for revenues and expenditures. The original proposed budget for 2025 was published in the official journal, made available for public inspection, public hearing was held and adopted all within the required timeframe. Formal budget integration is not employed as a management control device during the year. All appropriations lapse at year end. The assessor reserves all authority to make changes to the budget. There were no amendments to the original budget in 2025.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits and amounts on deposit with the Louisiana Asset Management Pool. Cash equivalents include amounts in time deposits. Under state law, the assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. RECEIVABLES

In the statements, receivables consist of revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical collection trends. Major receivable balances for the governmental activities include ad valorem taxes and tax roll preparation fees. In the government-wide statements, receivables consist of all amounts expected to be collected in the following year. On the general fund statement, receivables consist of ad valorem tax collected in the first 60 days after year end.

Ad valorem taxes collected 60 days after year-end are recorded as a deferred inflow of resources on the governmental fund balance sheet.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

H. INVESTMENTS

Short-term investments are stated at amortized cost, which approximates market value.

I. CAPITAL ASSETS

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 assessor maintains a threshold level of \$500 or more for capitalizing assets.

Capital assets are recorded in the Statement of Net Position and depreciation on capital assets is recorded in the Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description:</u>	<u>Estimated Lives:</u>
Building Improvements	25 years
Furniture & Equipment	5-20 years
Vehicles	5 years

J. COMPENSATED ABSENCES

In accordance with GASB Statement No. 101, Compensated Absences, the Assessor recognizes a liability for compensated absences when the leave is attributable to services already rendered and it is probable that the leave will be used or paid. Compensated absences include vacation leave, sick leave, and other paid time off (PTO), which are earned by employees based on services already performed.

Under the provisions of GASB 101:

- Vacation leave is accrued as earned and reported as a liability.
- Sick leave and other forms of leave are accrued only to the extent that it is probable the leave will result in a termination payment or will be used in a future reporting period.
- The liability is calculated using the pay rates in effect at the end of the reporting period and includes applicable salary-related payments

The Assessor has the following policy relating to vacation:

- One week of vacation after 2 years of service.
- Two weeks of vacation after 3 to 7 years of service.
- Three weeks of vacation after 8 plus years of service.

Each employee accrues annual leave on January 1 of each year for that year. Vacation leave must be taken during the year earned, unless it is approved by the Assessor. Upon resignation or retirement, employees are paid for unused vacation leave.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

J. COMPENSATED ABSENCES *(continued)*

All full-time employees earn 12 days of sick leave each year. A total of 45 days of sick leave can be accumulated. All accumulated sick leave lapses upon termination.

This liability is reported in the general fund as a noncurrent liability, except for the amount expected to be paid within one year, which is classified as a current liability. As of December 31, 2025, employees of the Assessor had accumulated and vested \$2,897 of compensated absences.

K. RIGHT OF USE LEASE ASSETS AND LIABILITIES

The Washington Parish Assessor is a lessee for noncancellable lease agreements for equipment and storage space used for administrative functions. At the commencement of a lease, the Washington Parish Assessor initially measures the lease asset and liability at the present value of payments expected to be made during the lease term. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease and the lease liability is reduced by the principal portion of lease payments.

The Assessor uses the interest rate charged by the lessor as the discount rate, if provided. When the interest rate charged by the lessor is not provided, the Assessor uses the government's estimated incremental borrowing rate as the discount rate for the leases.

The Assessor monitors changes in circumstances that would require a remeasurement of a lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

L. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

For the government-wide statement of net position, the net position amount is classified and displayed in three components:

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

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

L. NET POSITION IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS (*continued*)

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

M. FUND BALANCE

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

- **Non-spendable** – 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.
- **Restricted** – Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.
- **Committed** – Amounts that can be used only for specific purposes determined by a formal action by the Assessor.
- **Assigned** – Amounts that are designated by the Assessor for a specific purpose but are neither restricted nor committed.
- **Unassigned** – All amounts not included in other spendable classifications.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Assessor uses restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, it is the policy of the Assessor to reduce committed amounts first, followed by assigned amounts and then unassigned amounts.

N. ESTIMATES

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

O. PENSION PLANS

The Washington Parish Assessor's Office is a participating employer in a cost-sharing, multiple employer defined benefit plan as described in Note 7. For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions for the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

O. PENSION PLANS (*continued*)

refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

P. OPEB PLAN

The Assessor's defined benefit post-employment health care plan provides OPEB to eligible retired employees. The plan provides OPEB for permanent full time employees of the Assessor. The Assessor's OPEB plan is a multi-employer defined benefit OPEB plan. Benefits are provided through the Louisiana Assessors' Retirement Fund. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The authority to establish and/or amend the obligation of the employer, employees, and retirees rests with the Assessor.

Q. CURRENT YEAR ADOPTION OF NEW ACCOUNTING STANDARDS

During the year ending December 31, 2025, the Assessor implemented the following GASB Statement:

GASB Statement No. 102, *Certain Risk Disclosures* defines concentrations and constraints. The Statement also requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Additional disclosures are to be included if reporting criteria is not met which will provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. This standard did not affect the Washington Parish Assessor's financial statements.

R. NEW ACCOUNTING STANDARDS

GASB Statement No. 103, *Financial Reporting Model Improvements* continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows. This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

R. NEW ACCOUNTING STANDARDS *(continued)*

between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. The provisions of this Statement are effective for fiscal years beginning after June 15, 2025. The Washington Parish Assessor is currently evaluating the impact of this Statement on its financial reporting and disclosures.

GASB Statement No. 104 *Disclosure of Certain Capital Assets* – This Statement enhances disclosure requirements for specific types of capital assets, including lease assets, intangible right-to-use assets, subscription assets, and other intangible assets, by requiring separate disclosures by major class. Additionally, it establishes criteria and disclosure requirements for capital assets held for sale. The provisions of this Statement are effective for fiscal years beginning after June 15, 2025. The Washington Parish Assessor is currently evaluating the impact of this Statement on its financial reporting and disclosures.

GASB Statement No. 105 *Subsequent Events* – This Statement clarifies the subsequent events that constitute recognized and non-recognized events and establishes specific note disclosure requirements for non-recognized events. The provisions of this Statement are effective for fiscal years beginning after June 15, 2026. The Washington Parish Assessor is currently evaluating the impact of this Statement on its financial reporting and disclosures.

2. LEVIED TAXES

The Washington Parish Assessor is authorized to levy up to 5.37 mills in ad valorem taxes. A 5.37 mill ad valorem tax was levied for the year ended December 31, 2025. The following are the principal taxpayers for the parish:

Taxpayer	Type of Business	2025 Assessed Valuation	% of Total Assessed Valuation
Temple Inland	Paper mill	\$50,664,770	15.23%
Entergy Louisiana, LLC	Utility	\$17,828,690	5.36%
Hood Industries	Pipeline	\$11,055,950	3.32%

The total assessed valuation for all taxpayers at December 31, 2025 was \$332,633,440. This figure was used in calculating the percentage of the “assessed valuation of each of the largest taxpayers” to the “total assessed valuation for all taxpayers”.

3. CASH AND CASH EQUIVALENTS

At December 31, 2025, the assessor had cash and cash equivalents totaling \$221,757 as follows:

Demand deposits	\$42,850
Time deposits	178,902
Total	<u>\$221,752</u>

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

3. CASH AND CASH EQUIVALENTS *(continued)*

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

At December 31, 2025 the assessor had \$223,275 in deposits (collected bank balances). The bank deposits are secured from risk by federal deposit insurance.

4. INVESTMENTS

An investment of \$2,578,967, which is stated at cost and approximates market at December 31, 2025, is invested in the Louisiana Asset Management Pool, Inc. (LAMP).

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA – R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No. 79. The following facts are relevant for investment pools:

- Credit risk: LAMP is rated AAA by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest Rate Risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

4. INVESTMENTS (continued)

or 762 days for US Government floating variable rate investments. The WAM for LAMP's total investments is 73 days as of December 31, 2025.

- Foreign currency risk: Not applicable.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

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

If you have any questions, please feel free to contact the LAMP administrative office at 1-800-249-5267.

5. RECEIVABLES

The receivables of \$1,455,003 at December 31, 2025 are as follows:

Class of Receivable

Ad valorem taxes	\$ 1,387,561
City Taxes	6,109
State revenue sharing	<u>61,333</u>
Total	<u>\$1,455,003</u>

Ad valorem taxes receivable are recorded net of any estimated uncollectible amount.

**6. CAPITAL, RIGHT-OF-USE LEASE AND SUBSCRIPTION-BASED INFORMATION
TECHNOLOGY ARRANGEMENT ASSETS**

A summary of changes in capital and right-of-use lease assets for the year ended December 31, 2025 are as follows:

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

**6. CAPITAL, RIGHT-OF-USE LEASE AND SUBSCRIPTION-BASED INFORMATION
TECHNOLOGY ARRANGEMENT ASSETS *(continued)***

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Capital Assets				
Vehicles	\$ 18,523			\$18,523
Furniture & Equipment	302,884	43,096	8,554	337,426
Improvements	61,314			61,314
Total Capital Assets	382,721	43,096	8,554	417,263
Less Accumulated Depreciation	364,643	7,702	6,476	365,869
Total Capital Assets, Net	18,078	35,394	2,078	51,394
Right-Of-Use Lease Assets				
Building		9,458		9,458
Equipment		11,840		11,840
Total Right-Of-Use Lease Assets		21,298		21,298
Less Accumulated Amortization		14,335		14,335
Total Right-Of-Use Lease Assets Net		6,963		6,963
Total	\$18,078	\$42,357	2,078	\$58,357

Amortization of the right-of-use leased assets is computed by the straight-line method over the estimated contract periods. Amortization of the right of use leased assets was \$7,919 for the year ended December 31, 2025 and reported within amortization expenses under operating expenses in the Statement of Revenues, Expenses and Changes in Net Position.

The Assessor leases building space for use in its operations. The lease agreement does not specify an interest rate. The Assessor has estimated liabilities and right-of-use assets using the risk-free rate at the inception of the leases. The Assessor signed a two-year lease on the building space commencing on February 4, 2025 for an annual amount of \$4,800.

The Assessor is a lessee for noncancelable lease agreements for equipment used for general government functions. The lease terms include the noncancelable period of the lease and the optional renewal period if applicable. The lease payments are fixed payments. A liability has been recorded for the present value of lease payments over the lease term for each agreement.

As of December 31, 2025, the combined value of the lease liabilities was \$855. In determining the present values, the interest rate charged by the lessor was the discount rate, if provided. When the interest rate charged by the lessor was not provided, the Assessor used its estimated incremental borrowing rate as the discount rate of the leases. The recorded value of the right-of-use assets as of December 31, 2025 was \$21,298, and the accumulated amortization of these assets was \$14,335.

A summary of changes in the Assessor's Right-Of-Use lease liabilities during the 2025 year are as follows:

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

**6. CAPITAL, RIGHT-OF-USE LEASE AND SUBSCRIPTION-BASED INFORMATION
TECHNOLOGY ARRANGEMENT ASSETS *(continued)***

	<u>Equipment</u>	<u>Building Space</u>
Beginning Balance 12/31/2024	\$2,566	\$0
Additions	3,287	9,458
Reductions	<u>(2,368)</u>	<u>(4,729)</u>
Ending Balance 12/31/2025	<u>\$3,485</u>	<u>\$4,729</u>

Principal and interest payments due on lease liabilities over the next five years and thereafter are as follows:

<u>Years Ending:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$6,242	\$366	\$6,608
2027	657	71	728
2028	<u>493</u>	<u>53</u>	<u>546</u>
TOTAL	<u>\$7,392</u>	<u>\$490</u>	<u>\$7,882</u>

7. PENSION PLAN

The Louisiana Assessors' Retirement Fund (Fund) was created by Act 91 Section 1 of the 1950 regular Legislature Session. The Fund is a cost sharing, multiple employer, qualified governmental defined benefit pension plan covering assessors and their deputies employed by any parish of the State of Louisiana, under the provisions of Louisiana Revised Statutes 11:1401 through 1494. The plan is a qualified plan as defined by the Internal Revenue Code Section 401(a), effective January 1, 1998. Membership in the Louisiana Assessors' Retirement Fund is a condition of employment for Assessors and their full time employees.

The following brief description of the Louisiana Assessor's Retirement Fund and Subsidiary is provided for general information purposes only. Participants should refer to the Plan Agreement for more complete information.

Eligibility Requirements

Members who were hired before October 1, 2013, will be eligible for pension benefits once they have either reached the age of fifty-five and have at least twelve years of service or have at least thirty years of service, regardless of age. Members who were hired on or after October 1, 2013, will be eligible for pension benefits once they have either reached the age of sixty and have at least twelve years of service or have reached the age of fifty-five and have at least thirty years of service.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

7. PENSION PLAN (*continued*)

Retirement Benefits

Members whose first employment making them eligible for membership began prior to October 1, 2006, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 36 consecutive months multiplied by their total years of service, not to exceed 100% of monthly average final compensation.

Members whose first employment making them eligible for membership began on or after October 1, 2006, but before October 1, 2013, are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation.

Members whose first employment making them eligible for membership began on or after October 1, 2013, but who have less than thirty years of service are entitled to annual pension benefits equal to three percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation.

Members whose first employment making them eligible for membership began on or after October 1, 2013, and have thirty or more years of service are entitled to annual pension benefits equal to three and one-third percent of their highest monthly average final compensation received during any 60 consecutive months, multiplied by their total years of service, not to exceed 100% of monthly average final compensation. Members may elect to receive their pension benefits in the form of a joint and survivor annuity.

Contributions

Contributions for all members are established by statute at 8.00% of earned compensation. The contributions are deducted from the member's salary and remitted by the participating agency.

Administrative costs of the Fund are financed through employer contributions. According to the state statute, contributions for all employers are actuarially determined each year. The actuarially-determined employer contribution rate was 0% for the year ended September 30, 2025. The actual employer contribution rate was 5% of members' earnings for the year ended September 30, 2025.

The fund also receives one-fourth of one percent of the property taxes assessed in each parish of the state except for Orleans Parish, which is one percent, as well as a state revenue sharing appropriation. According to state statute, in the event that contributions for ad valorem taxes and revenue sharing funds are insufficient to provide for the gross employer actuarially required contribution, the employer is required to make direct contributions as determined by the Public Retirement Systems' Actuarial Committee.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

7. PENSION PLAN *(continued)*

Contributions *(continued)*

Contributions from non-employer contributing entities were \$176,982. Contributions for the plan fiscal year ending September 30, 2025 to the pension plan from the Assessor were \$25,640.

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

At December 31, 2025, the Assessor reported an asset of \$588,285 for its proportionate share of the net pension assets. The net pension asset was measured as of September 30, 2025 and the total pension asset used to calculate the net pension asset as determined by an actuarial valuation as of that date. The Assessor's proportion of the net pension asset was based on a projection of the Assessor's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At September 30, 2025, the Assessor's proportion was .98%, which was a decrease of 0.02% from its proportion measured as of September 30, 2024.

For the year ended December 31, 2025, the Assessor recognized pension expense of \$26,076 plus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions, which was \$44,204, for a total of \$70,280.

Schedule of Employer Allocations

At December 30, 2025, the Assessor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

7. PENSION PLAN (continued)

Schedule of Employer Allocations (continued)

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	\$48,701	\$16,002
Change in assumptions	18,925	20,913
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	1,980	3,580
Net differences between projected and actual earnings on plan investments	-	512,717
Contributions subsequent to the measurement date	6,540	-
TOTAL	\$76,146	\$553,212

Deferred outflows of resources of \$6,540 related to pensions resulting from the Assessor's contributions subsequent to the measurement date will be recognized as an addition of the net pension asset in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 30,</u>	
2026	\$3,964
2027	(234,830)
2028	(196,975)
2029	(57,179)
2030	<u>2,129</u>
	<u>\$(482,891)</u>

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

7. PENSION PLAN *(continued)*

Actuarial Methods and Assumptions

The current year actuarial assumptions utilized for this report are based on the assumptions used in the September 30, 2025 actuarial funding valuation, which (with the exception of mortality) were based on results of an actuarial experience study for the period October 1, 2019 through September 30, 2024. All assumptions selected were determined to be reasonable and represent the Fund's expectations of future experience for the Fund.

Additional information on the actuarial methods and assumptions used as of September 30, 2025 actuarial valuation follows:

Actuarial Cost Method	Entry age normal
Investment Rate of Return (discount rate)	5.50%, net position plan investment expense, including inflation
Inflation Rate	2.10%
Salary Increases	5.00%
Annuitant and Beneficiary Mortality	Pub-2016 Public Retirement Plans Mortality Table for General Healthy Retirees multiplied by 120% for males and 115% for females, each with full generational projection using the appropriate MP2021 scale.
Active Member Mortality	Pub-2016 Public Retirement Plans Mortality Table for General Employees multiplied by 120% for males and 115% for females, each with full generational projection using the appropriate MP2021 scale.
Disabled Lives Mortality	Pub-2016 Public Retirement Plans Mortality Table for Non-safety Disabled Retirees multiplied by 120% for males and 115% for females, each with full generational projection using the appropriate MP2021 scale.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

7. PENSION PLAN (continued)

Actuarial Methods and Assumptions (continued)

Discount Rate

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges 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 2.5% and an adjustment for the effect of rebalancing/diversification. The resulting long-term expected arithmetic nominal return was 7.85% as of September 30, 2025.

Best estimates of arithmetic real rates of return for each major asset class included in the Fund target asset allocation as of September 30, 2025, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	7.50%
International equity	8.50%
Domestic bonds	2.50%
International bonds	3.50%
Real estate	4.50%

The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers 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 these assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate

The following presents the net pension liability (asset) of the participating employers calculated using the discount rate of 5.50% as of September 30, 2025, as well as what the net pension liability (asset) of the participating employers would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

7. PENSION PLAN *(continued)*

Sensitivity to Changes in Discount Rate *(continued)*

2025 Net Pension Liability (Asset)	Changes in Discount Rate		
	1% Decrease (4.50%)	Current Discount Rate (5.50%)	1% Increase (6.50%)
Assessor	\$42,690	\$(255,761)	\$(1,126,107)

Retirement Fund Audit Report

The Fund has issued a stand-alone audit report on its financial statements for the year ended September 30, 2025. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lila.la.gov, or by contacting the Louisiana Assessors' Retirement Fund, Post Office Box 14699, Baton Rouge, Louisiana 70898.

8. DEFERRED COMPENSATION PLAN

The Assessor offers its employees participation in the Louisiana Public Employees Deferred Compensation Plan administered by the Louisiana Deferred Compensation Commission. The plan, regulated under the provisions of Title 32, Part VII of the Louisiana Administrative Code, is a defined contribution plan established in accordance with the Internal Revenue Code Section 457. The plan is a retirement savings plan allowing eligible employees to supplement any existing retirement and pension benefits by saving and investing pre-tax and/or after-tax dollars through a voluntary salary contribution.

Contributions to Section 457 plans are determined by the US Department of the Treasury's Internal Revenue Service. In 2025, participants in the plan may contribute up to 100% of earnable compensation or \$23,500, whichever is less. Participants in the plan have two different options to catch up and contribute more near retirement.

Participant and on behalf Assessor contributions to the plan may be invested in a variety of investment options broadly diversified with distinct risk and return characteristics. Self-directed brokerage and managed account options are available. Contributions and investment earnings are always 100% vested.

The Assessor has opted to match participating employees' elective deferrals up to 9%. The Assessor contributed \$39,912 to the plan during the year ended December 31, 2025. No amounts were payable to the plan at December 31, 2025.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

Continuing health care and life insurance benefits are provided for those retired employees who have reached normal retirement age while employed by the Assessor. The plan is a cost sharing, multiple employer defined benefit health care plan administered by the Insurance Committee of the Assessor's Insurance Fund dba Louisiana Assessor's Association. The Insurance Committee of the Assessor's Insurance Fund has the authority to establish and amend the benefit provisions of the plan. The plan issued a publicly available financial report. The report can be obtained through the Louisiana Legislative Auditor's website. Effective with the year ending December 31, 2018, the Washington Parish Assessor implemented Government Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. No assets are accumulated in a trust that meets the criteria of paragraph 4 of Statement No. 75.

Benefits Provided

The Assessor provides medical, dental, and life insurance coverage for eligible employees, retirees, and their dependents through the Louisiana Assessor's Association. The Assessor pays for the cost of the employee's and retiree's medical, dental, and life coverage. The retiree can also elect to cover his or her spouse and dependents but must pay the entire premium for their coverage. The Assessor recognizes the cost of providing these benefits (the Assessor's portion of premiums) as an expenditure when the monthly premiums are due. The benefits are financed on a pay as you go basis.

Relationship Between Valuation Date, Measurement Date, and Reporting Date

The Valuation Date is January 1, 2024. This is the date as of which the actuarial valuation is performed. The Measurement Date is December 31, 2025. This is the date as of which the total OPEB liability is determined. The reporting date is December 31, 2025. This is the plan's and/or employer's fiscal year ending date.

Significant Changes

None since prior valuation.

Participant Data as of January 1, 2024

Actives	8
Retirees	7
	0
Beneficiaries	
Spouses of Retirees	0
TOTAL	<u>15</u>

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(continued)*

Total OPEB Liability

The Assessor's total OPEB Liability of \$3,715,366 was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

Actuarial Assumptions & Other Inputs

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. Under this method, a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. The normal cost for each participant is computed as the level percentage of pay, which if paid from each participant's date of employment by the employer or any predecessor employer (thus, entry age) to his assumed retirement date, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to fund his projected retirement benefit. The normal cost of the plan is the total of the individually computed normal costs for all participants including the costs for any death or disability benefits under the plan. The valuation results were developed using models intended for valuations that use standard actuarial techniques.

The accrued liability at any point in time for an active participant is the theoretical fund that would have been accumulated on his behalf from his normal cost payments and the earnings thereon for all prior years if the plan had always been in effect. For persons receiving benefits or entitled to a deferred vested retirement income, the accrued liability cost is equal to the present value of their future benefit payments. The accrued liability for the plan is the total of the individually computed accrued liability for all participants. The unfunded accrued liability for the plan is the excess of the accrued liability over the assets which have been accumulated for the plan.

It should be noted that the accrued liability as of any date is not the actuarially computed present value of accrued or accumulated plan benefits as of that date. The accrued liability is the portion of the ultimate cost assigned to prior years by the cost method being used.

In addition to the actuarial method used, actuarial cost estimates depend to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates. In the current valuation, the actuarial assumptions used for the calculation of costs and liabilities are as follows:

Other Key Actuarial Assumptions:

The plan has not had a formal actuarial experience study performed.

Valuation Date:

January 1, 2024

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(continued)*

Actuarial Assumptions & Other Inputs *(continued)*

Measurement Date:

Benefit liabilities are valued as of December 31, 2025.

Discount Rate:

4.83% per annum, compounded annually.

Mortality Rates:

Healthy Retirement: Sex-distinct Pub-2010 General Mortality with separate employee and healthy annuitant rates, projected generationally using IRS 2024 Adjusted Scale MP-2021.

Beneficiaries:

Sex-distinct Pub-2010 General Contingent Survivors Mortality, projected generationally using IRS 2024 Adjusted Scale MP-2021.

Disability Retirement:

Sex-distinct Pub-2010 General Disabled Retirees Mortality, projected generationally using IRS 2024 Adjusted Scale MP-2021.

Withdrawal Rates:

The rates for both males and females decrease in range from 12% for participants with less than one year of service to 1% for those with 15 years or greater of service.

Disability Rates:

The rates for both males and females increase in range from 0.006% for participants aged 18 to 34 up to 0.195% for participants aged 60 or greater.

Retirement Rates:

The rates for both males and females increase in range from 22% for participants aged 46 to 49 up to 28% for those aged 63 or greater.

Participant Assumption:

100% of participants are assumed to elect retiree medical coverage at retirement.

Marriage Assumption:

For actives, it is assumed that husbands are three years older than their wives with 40% of active participants electing spouse coverage at retirement.

Compensation Increase:

3.00% per annum, compounded annually.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Actuarial Assumptions & Other Inputs (continued)

Inflation Rate:
2.30% per year

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at 12/31/2024	\$3,880,664
<u>Changes for the year:</u>	
Service Cost	109,947
Interest	161,229
Effect of economic/demographic gains or losses	0
Changes in Assumptions/Inputs	(357,828)
Benefit Payments	<u>(78,646)</u>
Net Changes	(165,298)
 Balance at 12/31/2025	 <u>\$3,715,366</u>

Sensitivity to the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Assessor, calculated using the discount rate of 4.83%, as well as what the Assessor's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage-point higher than the current discount rate:

	1% Decrease 3.83%	Discount Rate 4.83%	1% Increase 5.83%
Total OPEB Liability	<u>\$4,207,201</u>	<u>\$3,715,366</u>	<u>\$3,310,284</u>

The following presents the total OPEB liability of the Assessor, calculated using the current healthcare cost trend rates, as well as what the Assessor's total OPEB liability would be if it were 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	<u>\$3,334,531</u>	<u>\$3,715,366</u>	<u>\$4,188,613</u>

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

OPEB Expense and Deferred Outflows and Inflows of Resources related to OPEB

For the year ended December 31, 2025, the Assessor recognized an OPEB Expense of \$(141,762). At December 31, 2025, the Assessor reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$0	\$287,138
Changes in assumptions or other inputs	\$(288,076)	\$97,819
Total	\$(288,076)	\$384,957

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

Year Ended December 31:

2026	\$75,673
2027	42,705
2028	42,705
2029	(55,134)
2030	(9,068)
Thereafter	0

10. EXPENDITURES FOR THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

Certain operating expenditures of the assessor's office are paid by the Washington Parish Government as required by Louisiana Revised Statute 33:4713. The Assessor's office is located in the Washington Parish Courthouse, and the upkeep and maintenance of the courthouse are paid by the Washington Parish Government. These expenditures are not reflected in the accompanying financial statements.

11. RISK MANAGEMENT

The Assessor is exposed to various risks of loss related to limited torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered, in part, by commercial insurance. Settlements have not exceeded insurance coverage in each of the past three years.

**Washington Parish Assessor
Notes to the Financial Statements
December 31, 2025**

12. INTERGOVERNMENTAL AGREEMENT

During 1994, the Washington Parish Assessor entered into an intergovernmental agreement with the Washington Parish Police Jury, now the Washington Parish Government, and other elected officials of the parish to provide security for the main courthouse building. Under the terms of the agreement, the assessor voluntarily contributes to the project its estimated share of the costs involved. The assessor paid \$0 in December 31, 2025.

13. TAX ABATEMENTS

The Washington Parish Assessor's Office is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the "State Board"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP").

Under the ITEP, as authorized by Article 7, Section 21(F), of the Louisiana Constitution and Executive Order Number JBE 2016-73, companies that qualify as manufacturers can apply to the State Board for a property tax exemption on all new property, as defined, used in the manufacturing process. Under the ITEP, companies are required to promise to expand or build manufacturing facilities in Louisiana, with a minimum investment of \$5 million. The exemptions are granted for a 5 year term and are renewable for an additional 5 year term upon approval by the State Board. In the case of the local government, these state-granted abatements, have resulted in reductions of property taxes, which the tax assessor administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. The local government may recapture abated taxes if a company fails to expand facilities or otherwise fail to fulfill its commitments under the agreement. Taxes abated for the fiscal year ended December 31, 2025 were a total of \$123,384.

14. LITIGATION AND CLAIMS

There were no outstanding litigations or claims as of December 31, 2025.

15. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through June 30, 2026, the date the financial statements were available to be issued. No other events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

**Washington Parish Assessor
Governmental Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
For the Year Ended December 31, 2025**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Revenues			
Property Taxes	\$ 1,204,450	\$ 1,456,155	\$ 251,705
State revenue sharing	63,500	64,555	1,055
Interest Income	25,000	135,021	110,021
Other Revenues	<u>7,300</u>	<u>10,435</u>	<u>3,135</u>
Total Revenues	<u>\$ 1,300,250</u>	<u>\$ 1,666,166</u>	<u>\$ 365,916</u>
Expenditures			
Salaries and Related Benefits	\$ 970,250	\$ 906,211	\$ 64,039
Materials and Supplies	20,000	15,527	4,472
Operating Services	155,000	177,864	(22,864)
Travel	5,000	7,332	(2,332)
Capital Expenditures	<u>150,000</u>	<u>43,096</u>	<u>106,904</u>
Total Expenditures	<u>\$ 1,300,250</u>	<u>\$ 1,150,030</u>	<u>\$ 150,220</u>
Excess Revenues Over Expenditures	<u>\$ -</u>	<u>\$ 516,136</u>	<u>\$ 516,136</u>
Fund Balance at Beginning of Year	<u>3,210,805</u>	<u>3,720,353</u>	<u>\$ 509,548</u>
Fund Balance at End of Year	<u><u>\$ 3,210,805</u></u>	<u><u>\$ 4,236,489</u></u>	<u><u>\$ 1,025,684</u></u>

See Independent Auditor's Report.

Washington Parish Assessor
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended December 31, 2025

<u>Total OPEB Liability</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 109,947	\$ 113,696	\$ 79,132	\$ 128,969	\$ 127,442	\$ 108,598	\$ 90,482	\$ 52,146
Interest	161,229	105,466	109,491	101,932	100,129	97,083	111,560	54,219
Effect of economic/demographic gains or losses	-	470,614	-	(150,693)	-	666,288	-	(38,814)
Changes in assumptions or other inputs	(357,828)	106,289	141,655	(1,962,733)	65,595	342,146	651,677	1,097,680
Benefit payments	(78,646)	(73,175)	(72,669)	(72,669)	(66,463)	(39,818)	(59,106)	(58,446)
Net Change in Total OPEB Liability	(165,298)	722,890	257,609	(1,955,194)	226,703	1,174,297	794,613	1,106,785
Total OPEB Liability-Beginning	3,880,664	3,157,774	2,900,165	4,855,359	4,628,656	3,454,359	2,659,746	1,552,961
Total OPEB Liability-End	\$ 3,715,366	\$ 3,880,664	\$ 3,157,774	\$ 2,900,165	\$ 4,855,359	\$ 4,628,656	\$ 3,454,359	\$ 2,659,746
Covered Employee Payroll	578,821	485,506	566,656	489,397	562,591	\$ 601,691	\$ 579,995	\$ 574,347
Total OPEB Liability as a percentage of covered employee payroll	641.89%	799.30%	557.26%	592.60%	863.04%	769.27%	595.58%	463.09%

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

Washington Parish Assessor
Schedule of Employer's Share of Net Pension Liability(Asset)
For the Last Ten Fiscal Years

Year End	Employer Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.978209%	\$ (588,291)	\$ 512,799	-114.72%	110.42%
2024	1.003761%	\$ (255,761)	\$ 509,445	-50.20%	104.58%
2023	1.017019%	\$ 498,298	\$ 500,238	99.61%	90.91%
2022	0.925060%	\$ 612,789	\$ 441,676	138.74%	87.25%
2021	0.994910%	\$ (327,086)	\$ 460,567	-71.02%	106.48%
2020	1.080390%	\$ 165,058	\$ 496,651	33.23%	96.79%
2019	1.118880%	\$ 295,140	\$ 497,776	59.3%	94.12%
2018	1.128273%	\$ 219,340	\$ 497,326	44.1%	95.46%
2017	1.113936%	\$ 195,464	\$ 489,040	40.0%	95.61%
2016	1.048039%	\$ 369,822	\$ 456,290	81.0%	90.68%

*The amounts presented have a measurement date of the previous fiscal year end.

**Washington Parish Assessor
Schedule of Employer Contributions
For the Last Ten Fiscal Years**

Year End	Contractually Required Contribution ¹	Contributions in Relation to Contractual Required Contributions ²	Contribution Deficiency (Excess)	Employer's Covered Payroll ³	Contributions as a % of Covered Payroll
2025	\$ 26,025	\$ 26,025	\$ -	\$ 520,502	5.00%
2024	\$ 25,241	\$ 25,241	\$ -	\$ 505,095	5.00%
2023	\$ 19,756	\$ 19,756	\$ -	\$ 509,825	3.88%
2022	\$ 21,011	\$ 21,011	\$ -	\$ 455,576	4.61%
2021	\$ 32,002	\$ 32,002	\$ -	\$ 439,015	7.29%
2020	\$ 39,818	\$ 39,818	\$ -	\$ 497,776	8.00%
2019	\$ 39,822	\$ 39,822	\$ -	\$ 497,776	8.00%
2018	\$ 39,822	\$ 39,822	\$ -	\$ 497,776	8.00%
2017	\$ 46,892	\$ 46,892	\$ -	\$ 493,718	9.50%
2016	\$ 59,595	\$ 59,595	\$ -	\$ 472,376	12.62%

For Reference Only:

1. Employer contribution rate multiplied by employer's covered payroll.
2. Actual employer contributions remitted to Louisiana Assessors' Retirement Fund.
3. Employer's covered payroll amount for the year ended December 31 of each year.

**Washington Parish Assessor
Notes to the Required Supplementary Information
December 31, 2025**

NOTE 1: Budget and Budgetary Accounting

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

1. Management prepares a proposed budget and is made available for public inspection no later than 15 days prior to the beginning of the fiscal year in accordance with state law.
2. The Assessor is responsible for adopting the budget in an open meeting before the end of the fiscal year in accordance with state law.
3. The original budget is prepared based on historical data and projections.
4. Due to the high cost of publications, the budget is only amended once per year, if revenues or expenditures have an unfavorable variance of 5% or greater. That determination is made based on year to date information provided by the outside accountant and any known, upcoming expenditures not yet recorded.
5. For the year ended December 31, 2025, the general fund did not have excess expenditures over appropriations and budgeted revenues were more than actual, both resulting in favorable variances.

NOTE 2: Pension Plan

Changes to Benefit Terms- None

Changes of Assumptions-

Plan Year End	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
2015	7.00%	7.00%	2.50%	6	5.75%
2016	7.00%	7.00%	2.50%	6	5.75%
2017	6.75%	6.75%	2.50%	6	5.75%
2018	6.25%	6.25%	2.20%	6	5.75%
2019	6.00%	6.00%	2.20%	6	5.75%
2020	5.75%	5.75%	2.10%	6	5.25%
2021	5.00%	5.00%	2.10%	6	5.25%
2022	5.00%	5.50%	2.10%	6	5.25%
2023	5.50%	5.50%	2.10%	6	5.25%
2024	5.50%	5.50%	2.10%	6	5.25%
2025	5.50%	5.50%	2.10%	6	5.00%

**Washington Parish Assessor
Notes to the Required Supplementary Information
December 31, 2025**

NOTE 2: Pension Plan (*continued*)

The amounts presented have a measurement date of September 30th of the fiscal year.

NOTE 3: Other Post Employment Benefits

Changes to Benefit Terms- None

Changes of Assumptions-

Fiscal Year End	Inflation Rate	Discount Rate	Projected Salary Increase
2019	2.30%	2.74%	3.00%
2020	2.20%	2.12%	3.00%
2021	2.20%	2.06%	3.00%
2022	2.30%	3.72%	3.00%
2023	2.30%	3.26%	3.00%
2024	2.30%	4.08%	3.00%
2025	2.30%	4.83%	3.00%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

SCHEDULE REQUIRED BY STATE LAW LSA RS 24:513A(1)(a)(3)

Washington Parish Assessor
Schedule of Compensation, Benefits and Other Payments to Agency Head
Schedule Required by State Law LSA RS 24:513A(1)(a)(3)
For the Year Ended December 31, 2025

Agency Head:

James A. Stevenson, Jr.

Purpose	Amount
Salary	\$ 145,306
Expense Allowance	14,531
Car Allowance	23,975
Benefits-Insurance	15,494
Benefits-Retirement	25,472
Deferred Compensation	14,328
Meeting Expenses	2,107
TOTAL	\$ 241,213

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

To the Honorable James Stevenson
Washington Parish Assessor
Franklinton, LA 70438

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Washington Parish Assessor, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Washington Parish Assessor's basic financial statements, and have issued my report thereon dated June 30, 2026.

Report on Internal Control over Financial Reporting

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

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

My 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 my audit I did not identify any deficiencies in internal control that I 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 Washington Parish Assessor's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2025-1.

Purpose of This Report

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



Robert A. Neilson, CPA, LLC
Bogalusa, Louisiana
June 30, 2026

**Washington Parish Assessor
Schedule of Findings and Responses
For the Year Ended December 31, 2025**

Section I - Summary of Auditor's Results

Financial Statements

Type of Auditor's Report Issued		Unmodified
Material Weakness Identified	_____ Yes	_____ <u>X</u> _____ No
Significant Deficiency identified that are not considered material weaknesses?	_____ Yes	_____ <u>X</u> _____ No
Noncompliance material to financial statements noted?	_____ Yes	_____ <u>X</u> _____ No

Section II - Findings Affecting the Financial Statements

Compliance

2025-1

Ethics - Assistance to Certain Persons After Termination of Public Service

Criteria	Louisiana Revised Statue 42:1121(B)(1) states, in part, that "No former public employee shall...for a period of two years following termination of his public employment, render, any service which former public employee had rendered to the agency during the term of his public employment on a contractual basis, regardless of the parties to the contract, to, for, or on behalf of the agency which he was formerly employed."
Condition	The Washington Parish Assessor contracted with a former employee immediately after leaving public employment to perform the same services provided during the term of public employment.
Cause	This condition appears to be an oversight by management.
Effect	Violation of Louisiana Revised Statute 42:1121(B)(1)
Recommendation	The Washington Parish Assessor should consult with legal counsel and the Louisiana Board of Ethics to ensure compliance with the state's ethics laws regarding transactions with former employees.
Management's Response	Management has taken corrective action regarding the former employee and will consult with legal counsel regarding such matters going forward.

**Washington Parish Assessor
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2025**

Section I - Summary of Auditor's Results

None

Section II - Findings Affecting the Financial Statements

2024-1

Ethics - Assistance to Certain Persons After Termination of Public Service

Criteria	Louisiana Revised Statue 42:1121(B)(1) states, in part, that "No former public employee shall...for a period of two years following termination of his public employment, render, any service which former public employee had rendered to the agency during the term of his public employment on a contractual basis, regardless of the parties to the contract, to, for, or on behalf of the agency which he was formerly employed."
Condition	The Washington Parish Assessor contracted with a former employee immediately after leaving public employment to perform the same services provided during the term of public employment.
Cause	This condition appears to be an oversight by management.
Effect	Violation of Louisiana Revised Statute 42:1121(B)(1)
Recommendation	The Washington Parish Assessor should consult with legal counsel and the Louisiana Board of Ethics to ensure compliance with the state's ethics laws regarding transactions with former employees.
Management's Response	Management will take corrective action regarding the former employee and will consult with legal counsel regarding such matters going forward.

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

June 30, 2026

The Honorable James Stevenson, Jr.
Washington Parish Assessor
Franklinton, LA 70438

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period ending December 31, 2025. The Washington Parish Assessor (Assessor) is responsible for those C/C areas identified in the SAUPs.

The Assessor 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 ending December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

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

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

Obtained, inspected and no exceptions found as a result of this procedure.

- b) **Purchasing**, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure

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

Obtained, inspected and no exceptions found as a result of this procedure.

- c) ***Disbursements***, including processing, reviewing, and approving.

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and no exceptions found as a result of this procedure.

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

Obtained, inspected and discussed the results with management.

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

Obtained, inspected and no exceptions found as a result of this procedure.

2) Board or Finance Committee

This section is not applicable. The Assessor is an independently elected official and does not have a board or finance committee.

- 1. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether

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

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

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);
- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and
- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Noted one exception at procedure 3Aii. Reconciliation not signed within one month after being prepared.

Management's Response: Management will start signing the reconciliations within one month after they are reconciled.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and
 - i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual deposit per the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than

- 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

Not applicable as no cash was collected for this audit period.

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

1. 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).
2. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
 - i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]
3. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- 4. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. *Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.*

No exceptions found as a result of performing these procedures.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges

only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

- D. Using the list of terminated employees obtained in Payroll and Personnel procedure #9C identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

No exceptions were found as a result of performing these procedures.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
 - i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana (doa.la.gov/doa/ost/ppm-49-travel-guide/) or the U.S. General Services Administration (www.gsa.gov);
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions were found as a result of performing these procedures.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner*

may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were found as a result of performing these procedures.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the

- pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions were found as a result of performing these procedures.

10) Ethics

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

No exceptions were found as a result of performing these procedures.

11) Debt Service

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

No exceptions were found as a result of performing these procedures.

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions were found as a result of performing these procedures.

13) Information Technology Disaster Recovery/Business Continuity

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

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

E. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

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

No exceptions were found as a result of performing these procedures.

I was engaged by the Assessor to perform this agreed-upon procedures engagement and conducted my engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. I was not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, I do not express such an opinion or conclusion. Had I performed additional

procedures, other matters might have come to my attention that would have been reported to you.

I am required to be independent of the Assessor and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

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



Robert A. Neilson, CPA, LLC
Bogalusa, LA
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